



Weekly Report

the authoritative reference on Congress

WEEK ENDING SEPT. 14, 1954

VOL. XII, NO. 38, PAGES 1169-1188

DISAGREEING SENATORS

"Average" Senate State Team Agreed
Only 79.1 Per Cent Of Time In 1954

OF SPECIAL INTEREST :

ACREAGE INVENTORY

BUDGET REVIEW

ELECTION WINNERS

MONTANA SENATE RACE

CONTENTS

BEHIND THE HEADLINES

Disagreeing Senators	1169
Voting Data (Chart)	1172
Budget Deficit	1178
Public Lands	1179

PRESSURES ON CONGRESS

"China Lobby" at Work	1173
China Agents	1173
Lobby Registrations	1176
GATT Debate	1176

EXECUTIVE BRANCH

Defend Quemoy?	1176
Dulles on SEATO	1176
Anti-Red Crackdown	1176

AROUND THE CAPITOL

Congressional Briefs	1177
Nationalists on Trial	1177
Power Contract	1177
Smyth Quits AEC	1177

POLITICAL NOTES

Maine Election	1181
----------------------	------

Colorado Primary	1181
Washington Primary	1182
New York Primary	1182
Massachusetts Primary	1183
Minnesota Primary	1183
New Hampshire Primary	1183
Utah Primary	1184
Vermont Primary	1184
Wisconsin Primary	1184
Montana Senate Race	1185

COMMITTEE ROUNDUP

Action	1186
UN Voting	1186
Hearings	1186
McCarthy Censure	1186
Red Hearings in Ohio	1187
Education	1188
Housing Probe	1188
McKenna Report	1187

CQ FEATURES

Capitol Quotes	11
Congressional Quiz	111
THE WEEK IN CONGRESS	11

PUBLISHED WEEKLY BY CONGRESSIONAL QUARTERLY NEWS FEATURES

The Only News Bureau Exclusively Devoted To Congress

1156 NINETEENTH STREET, N.W., WASHINGTON 6, D.C.

STerling 3-8060



capitol quotes

SOCIAL SECURITY

Compromise Product -- "...Approval of the Social Security Bill constituted the final action on major legislation by the Congress prior to the termination of the session on the evening of August 20. For several days, House and Senate conferees were at loggerheads on the Bill...The principal issue at stake was the question of whether farmers and farm workers should be covered and the extent of that coverage. The House conferees held out for coverage for farmers and to win this point gave in to the Senate's opposition to inclusion of doctors, dentists and lawyers." Rep. Harlan F. Hagen (D Calif.), Sept. 9 newsletter.

Surprising Increase -- "...Social Security figures for Kent and Ottawa counties (Fifth District, Michigan) have shown a surprising increase in the last few years. In the short five-year period between 1949 and 1953, the number of people receiving benefits in our District more than doubled, while the total amount of cash benefits received each year increased about five times." -- Rep. Gerald R. Ford, Jr. (R Mich.), Sept. 9 newsletter.

Grade A Crisis -- "...the actuaries of the Social Security Administration...can be sure...that, within about 75 years, we shall have a Grade A crisis on our hands...Within three generations, social security will be the largest single domestic program in our national life. It will cost more than our entire federal government costs today, aside from national defense. This is not alarmist talk... Our job, therefore, is to see that it works equitably and that it does the job for which it was intended. And we should not delude ourselves about it. We should go extremely slow, for example, on further liberalizations, except where they are essential to correct inequities. Social security is no gravy train. Future generations are going to pay very heavily indeed for it -- much more heavily than our own. We should not increase their burdens beyond endurance." -- Rep. Harold C. Ostertag (R N.Y.), Sept. 16, newsletter.

STORAGE COSTS

"...While reading all this propaganda about how much it costs to store food, I got to wondering how much it costs to store money. I watched the daily statements of the Treasury Department and noticed that during the past year, the daily cash balances have been somewhere between approximately four billion and nine billion dollars! On Aug. 30 of this year, the cash balance was \$5½ billion. Of this amount, approximately \$4½ billion was on deposit in banks which were paying no interest for the use of

these funds. In other words, the funds were merely lying idle and being used by the banks in which they were deposited. Since this is all borrowed money, my figures show me that at two per cent interest, the American taxpayer is paying some one-quarter million dollars a day in interest charges to store money in banks." -- Rep. Walter E. Rogers (D Tex.), Sept. 3 newsletter.

50 GOP YEARS?

"The preservation of a middle of the road philosophy is at stake in the elections this fall, not just political offices. The real issue is whether we shall continue the return of our government to the people or whether we shall once again surrender to the tenets of socialism and big government by crony. For 20 years the Democrats campaigned against Herbert Hoover. If they were successful in attacking a great President, we Republicans should be able to stay in office for 50 years just by telling the true story of the Truman-Pendergast Era." -- Rep. Charles B. Brownson (R Ind.), Sept. 12 newsletter.

OTHER SIDE OF THE COIN

"...the Eisenhower Administration and the GOP Congress have given the country a government of, for, and by big business. The Administration's policy-making brain trust -- composed of Defense Secretary Charles Wilson, (General Motors Corporation), Treasury Secretary George Humphrey (banking interests) and Commerce Secretary Sinclair Weeks (manufacturing interests) -- have partially succeeded in turning back the clock on 20 years of democratic progress. With the Tycoon Trio making the policy decisions for Eisenhower, the "new look" in government is the program of the National Association of Manufacturers." -- Rep. John A. Blatnik (D Minn.), Sept. 10 newsletter.

OPEN SEASON

"This is the season when congressional candidates, of both political persuasion, receive questionnaires from various groups. A query by the League of Women Voters, 'What criticism have you of the U.S. foreign policy?'I answered, 'My principal criticism of our foreign policy is that we have none.' ...you can't criticize something that is non-existent... My suggestion to the Administration is that it get the more vocal members of its team together and have Dale Carnegie lecture them on 'How To Win Friends and Influence People' -- particularly the friends we used to have when Ike took office. We may yet need them more than we know." -- Rep. William J. Green (D Pa.), Sept. 3 newsletter.

Copyright 1954, by Congressional Quarterly News Features
1156 Nineteenth Street, N. W., Washington 6, D. C.

CQ WEEKLY REPORT is published every Friday. All reproduction rights, including quotation, broadcasting and publication are reserved for current editorial clients only. Second rights also are reserved. Subscription rates are scaled from \$50 a year (a public service rate without editorial rights) through \$1,000 a year, and are based on membership and/or circulation. Rates will be furnished on request. Additional single copies sell for \$1. CQ Weekly Report and Index also are available to clients on microfilm, at \$5.10 a year. Entered as second-class matter at the Post Office at Washington, District of Columbia.



DISAGREEING SENATORS

States' Senate "Teams" Average 77.1 Per Cent Agreement In Roll-Call Stands

Taken During 83rd Congress; No 100 Per Cent Agreement In Recorded Positions

No state's team of two Senators agreed on all roll-call issues on which both were recorded during the 83rd Congress.

Though both Members of each of the 48 "teams" represent the same constituents, the "average" Senator and his State colleague disagreed on about one of every five roll-call votes in 1954 and on one out of four in 1953, Congressional Quarterly found. Only the 260 issues put to roll call and on which both Senators' stands were recorded through votes, pairs, announcements or answers to CQ polls were counted. (For Senators' percentages, see p. 1172.)

Senators of different political parties who represented the same states in the 83rd Congress couldn't agree on much more than half the issues, on the average. And even Senators of the same State and same Party split in their stands on some roll calls.

AGREE MORE IN '54

Republican Senators from the same state agreed more than did Democratic state-mates. Voting harmony, both in one-party Senate delegations and "mixed" Senate teams, was greater in 1954 than in 1953. And there was greater average voting accord among state teams in the 83rd Congress than in the 82nd.

According to the CQ survey:

All-GOP Senate teams in the "solid" Republican states agreed on 3,445 (or 87.6 per cent) of the 3,932 occasions when both lawmakers voted, paired or announced stands during the 83rd Congress. This compares with 79 per cent voting agreement in the 82nd Congress for states with solid GOP Senate delegations.

The "solid" Democratic teams agreed 3,107 times out of 3,725 (or 83.4 per cent) during the 83rd Congress. This was a drop from 85.6 per cent voting accord in the 82nd Congress of all-Democratic Senate state teams.

Senators from "mixed-party" states -- those in which Senators were of different political faiths -- agreed 1,433 times out of 2,695 (or 53.2 per cent) in the 83rd Congress. During the 82nd Congress, Senators from the mixed-party states agreed 50.6 per cent of the time.

Forty-three Senatorial state delegations maintained the same composition throughout the 83rd Congress. Fifteen were all Republican, 17 solidly Democratic, and 11 mixed party.

Deaths changed the makeup of five state delegations. Despite the replacements made necessary by a Senator's death, New Hampshire and Nebraska maintained all-GOP delegations and North Carolina's delegation remained all-Democratic. Wyoming switched from a mixed-party lineup to all-Republican, and Ohio switched from all-Republican to mixed party.

The death of Sen. Burnet R. Maybank (D S.C.) Sept. 1 came after adjournment of the 83rd Congress and does not affect the figures.

83rd CONGRESS HIGHER

During 1953-54, agreement for the forty-eight state delegations to the Senate, irrespective of party affiliation, averaged 77.1 per cent, compared with 74.4 per cent agreement in the 82nd Congress.

The 83rd's average was based on 73.2 per cent agreement on 3,421 stands recorded in the first session, and 79.1 per cent agreement on 6,931 recorded stands in the second session.

To compile the 77.1 per cent overall figure for the 83rd Congress, Republican Senate teams boosted their voting harmony from 81.2 per cent in 1953 to 90.8 per cent in 1954. Democratic Senate delegations increased their voting accord from 81.1 to 84.6 per cent, and the agreement percentage for mixed-party state teams climbed from 48.9 to 55.2 per cent.

Just as no Senate team was in agreement 100 per cent of the time, no delegation was in complete disagreement when lawmakers voted, paired or announced during the 83rd Congress.

The Senate's scale of harmony in the 83rd ranged from 95 per cent for Utah Republicans Wallace F. Bennett and Arthur V. Watkins, to 35 per cent for Oregon's Guy Cordon, Republican, and Wayne Morse, independent. The most "disagreeing" Republicans were Sens. Joseph R. McCarthy and Alexander Wiley of Wisconsin. They voted, paired or announced together only 67 per cent of the time.

Alabama's Sens. Lister Hill and John J. Sparkman were in agreement 92 per cent of the time, tops in Democratic accord. Sens. J. W. Fulbright and John L. McClellan of Arkansas with a 67 per cent mark, were the "disagreeingest" Democratic team. In the mixed states, Sens. J. Allen Frear, Jr., (D), and John J. Williams (R) of Delaware were highest in accord, with 69 per cent.

83rd Congress

Individual high and low figures for the 83rd Congress were based on Senate colleague teams for only 43 states, because of the changes of membership in the past two years in the five other states. Here are the comparative "high" and "low" delegations:

SOLID REPUBLICAN (15 states)

Highs	
Utah (Bennett-Watkins)	95%
Connecticut (Bush-Purtell)	94
Maine (Paine-Smith)	92
Idaho (Dworshak-Welker)	91
Maryland (Beall-Butler)	91
New Jersey (Hendrickson-Smith)	91
Lows	
Wisconsin (McCarthy-Wiley)	67%
North Dakota (Langer-Young)	74
Pennsylvania (Duff-Martin)	84
Kansas (Carlson-Schoeppel)	85

SOLID DEMOCRATIC (17 states)

Highs	
Alabama (Hill-Sparkman)	92%
Washington (Jackson-Magnuson)	91
Missouri (Hennings-Symington)	90
Montana (Mansfield-Murray)	90
West Virginia (Kilgore-Neely)	90
Lows	
Arkansas (Fulbright-McClellan)	67%
New Mexico (Anderson-Chavez)	75
Georgia (George-Russell)	76
Louisiana (Ellender-Long)	76
Tennessee (Gore-Kefauver)	78

MIXED (11 states)

Highs	
Delaware (Frear, D -Williams, R)	69%
Nevada (Malone, R -McCarran, D)	66
Kentucky (Clements, D -Cooper, R)	64
Lows	
Oregon (Cordon, R -Morse, I)	35%
Arizona (Goldwater, R -Hayden, D)	42
Illinois (Dirksen, R -Douglas, D)	42

CHANGING DELEGATIONS

Here is a chart showing states which had more than one Senate team during the 83rd Congress and how their voting accord compared.

	Agreed	Disagreed	Per cent Agreed
New Hampshire			
1954 Bridges-Upton	129	11	92%
1953 Bridges-Tobey	20	21	49
North Carolina			
1954 Lennon-Ervin	73	14	84
Lennon-Hoey	32	3	91
1953 Hoey-Lennon	25	3	89
Hoey-Smith	31	5	86
Ohio			
1954 Bricker-Burke	76	61	55
1953 Bricker-Taft	32	4	89
Wyoming			
1954 Barrett-Crippa	88	3	97
Barrett-Hunt	43	20	68
1953 Barrett-Hunt	43	27	61
Nebraska			
1954 Bowring-Reynolds	68	7	91
Bowring-Butler	31	5	86
Butler-Griswold	28	3	90
1953 Butler-Griswold	42	8	84

1954

Comparative "highs" and "lows" in 1954 based on figures for Senators who are now in office:

SOLID REPUBLICAN (18 states)

<u>Highs</u>	
Wyoming (Barrett-Crippa)*	97%
Connecticut (Bush-Purtell)	96
Maine (Payne-Smith)	96
New Jersey (Hendrickson-Smith)	96
Indiana (Capehart-Jenner)	95
Utah (Bennett-Watkins)	95
*Crippa did not serve the entire session.	

<u>Lows</u>	
North Dakota (Langer-Young)	70%
Wisconsin (McCarthy-Wiley)	75
Pennsylvania (Duff-Martin)	89
Vermont (Aiken-Flanders)	89

SOLID DEMOCRATIC (18 states)

<u>Highs</u>	
Alabama (Hill-Sparkman)	95%
Montana (Mansfield-Murray)	91
Texas (Daniel-Johnson)	91
Missouri (Hennings-Symington)	90
West Virginia (Kilgore-Neely)	90

<u>Lows</u>	
Georgia (George-Russell)	73
Tennessee (Gore-Kefauver)	74
New Mexico (Anderson-Chavez)	75
Arkansas (Fulbright-McClellan)	77

MIXED (12 states)

<u>Highs</u>	
Delaware (Frear, D -Williams, R)	67%
Nevada (Malone, R -McCarran, D)	66
Colorado (Johnson, D -Millikin, R)	63
<u>Lows</u>	
Oregon (Cordon, R -Morse, I)	37
Illinois (Dirksen, R -Douglas, D)	42
New York (Ives, R -Lehman, D)	44

Fourteen Republican teams and less than half as many Democratic teams agreed more than 90 per cent of the time when both Senators took stands on roll-call votes in 1954. Two Republican and eight Democratic teams scored between 80 and 90 per cent.

The distribution:

Agreement	Rep.	Dem.	Mixed	Total
90-99%	14	6	0	20
80-89	2	8	0	10
70-79	2	4	0	6
60-69			4	4
50-59			5	5
40-49			2	2
30-39			1	1

Influence of Elections

In addition to changes brought about by the deaths of Senators in five states and appointment of replacements, voting agreement changed from the 82nd to the 83rd Congress because of newly-elected lawmakers.

The 1952 elections brought 15 new men to the Senate. Only 11, however, replaced Senators of the opposite party: Seven Republicans replaced Democrats, four Democrats took over from Republicans. Three Republicans (in Arizona, Kentucky and Wyoming) broke into "solid" Democratic states, while Connecticut's GOP swept two Democratic seats.

Democrats cracked the GOP Senate team in Massachusetts while making their holdings solid in Missouri, Montana and Washington. Republicans made "solid" states of Maryland and Michigan.

Following are states with changes in the partisan makeup of their Senatorial delegation as a result of the 1952 election, and the agreement records of the old and new delegations. Delegations are listed with new Senators first.

	83rd Congress	82nd Congress
<u>GOP GAINS</u>		
Ariz. (Goldwater, R-Hayden, D)	42%	93
Conn. (Bush, R-Purtell, R)*	94	91
Ky. (Cooper, R-Clements, D)	64	92
Md. (Beall, R-Butler, R)	91	69
Mich. (Potter, R-Ferguson, R)	90	40
Wyo. (Barrett, R-Hunt, D)	61**	92

*Both Connecticut Senators were new.

**1953 figure only, since Hunt died this year.

DEMOCRATIC GAINS

Mass. (Kennedy, D-Saltonstall, R)	54	87
Mo. (Symington, D-Hennings, D)	90	33
Mont. (Mansfield, D-Murray, D)	90	31
Wash. (Jackson, D-Magnuson, D)	91	45

There were marked shifts in the agreement percentages in some state delegations from 1953 to 1954, even though the same Senators were in office both years.

Colorado's Edwin C. Johnson (D) and Eugene D. Millikin (R) agreed only 34 per cent of the time in 1953, but their stands accord jumped to 63 for 1954.

States with an accord change of 15 per cent or more and no change in representation:

	1954	1953	Change
Colo. (Johnson, D-Millikin, R)	63%	34%	29%
Ariz. (Goldwater, R-Hayden, D)	52	24	28
Ark. (Fulbright, D-McClellan, D)	77	51	26
Wis. (McCarthy, R-Wiley, R)	75	55	20
Ind. (Capehart, R-Jenner, R)	95	78	17
Pa. (Duff, R-Martin, R)	89	72	17
Kan. (Carlson, R-Schoeppel, R)	90	75	15

How Senators Agreed, Disagreed

1. Number of times a state's Senators agreed, when both voted on roll calls, were paired "for" or "against," announced stands or answered a CQ poll in the course of 171 roll calls during 1954.
2. Times they disagreed when both Senators from the same state voted or recorded stands during 1954.
3. Percentage of agreement on roll-call votes on which both of a state's Senators recorded their positions during 1954.
4. Percentage of agreement when both Senators from the same state recorded their stands during 1953 in the course of 89 roll calls.
5. Percentage of agreement of the state's 83rd Congress (1953-4) Senate delegation, when both Members recorded stands, in the course of 260 roll call votes during the two years.

*Figures opposite state names represent votes, stands and voting agreement percentages for incumbent Senators (with the exception of Burnet R. Maybank, D S.C., who died after the Senate adjourned). In states where Senate representation changed due to death during the 83rd Congress, agreement percentages could not be given for the whole Congress. For agreement percentages on Nebraska, New Hampshire, North Carolina, Ohio and Wyoming where more than one Senate team served during the 83rd Congress, see CQ Weekly Report, p. 1170.

	1	2	3	4	5		1	2	3	4	5		1	2	3	4	5
ALABAMA	118	6	95	88	92	MAINE	165	6	96	82	92	OHIO *	76	61	55	--	--
Hill (D)						Payne (R)						Bricker (R)					
Sparkman (D)						Smith (R)						Burke (D)					
ARIZONA	73	68	52	24	42	MARYLAND	143	9	94	86	91	OKLAHOMA	113	23	83	80	82
Goldwater (R)						Beall (R)						Kerr (D)					
Hayden (D)						Butler (R)						Monroney (D)					
ARKANSAS	91	27	77	51	67	MASSACHUSETTS	91	71	56	49	54	OREGON	59	101	37	32	35
Fulbright (D)						Kennedy (D)						Cordon (R)					
McClellan (D)						Saltonstall (R)						Morse (I)					
CALIFORNIA	138	13	91	87	90	MICHIGAN	151	12	93	86	90	PENNSYLVANIA	133	16	89	72	84
Knowland (R)						Ferguson (R)						Duff (R)					
Kuchel (R)						Potter (R)						Martin (R)					
COLORADO	100	59	63	34	53	MINNESOTA	86	64	57	45	53	RHODE ISLAND	138	18	88	78	85
Johnson (D)						Humphrey (D)						Green (D)					
Millikin (R)						Thye (R)						Pastore (D)					
CONNECTICUT	150	7	96	92	94	MISSISSIPPI	88	18	83	79	81	SOUTH CAROLINA *	113	27	81	86	82
Bush (R)						Eastland (D)						Johnston (D)					
Purtell (R)						Stennis (D)						Maybank (D)					
DELAWARE	101	50	67	73	69	MISSOURI	132	15	90	91	90	SOUTH DAKOTA	144	16	90	78	86
Frear (D)						Hennings (D)						Case (R)					
Williams (R)						Symington (D)						Mundt (R)					
FLORIDA	133	28	83	74	80	MONTANA	141	14	91	88	90	TENNESSEE	84	30	74	85	78
Holland (D)						Mansfield (D)						Gore (D)					
Smathers (D)						Murray (D)						Kefauver (D) *					
GEORGIA	94	34	73	83	76	NEBRASKA *	68	7	91	--	--	TEXAS	147	15	91	84	89
George (D)						Reynolds (R)						Daniel (D)					
Russell (D)						Bowring (R)						Johnson (D)					
IDAHOO	135	14	91	91	91	NEVADA	80	41	66	66	66	UTAH	160	8	95	95	95
Dworshak (R)						Malone (R)						Bennett (R)					
Welker (R)						McCarran (D)						Watkins (R)					
ILLINOIS	65	91	42	42	42	NEW HAMPSHIRE *	129	11	92	--	--	VERMONT	135	16	89	78	86
Dirksen (R)						Bridges (R)						Aiken (R)					
Douglas (D)						Upton (R)						Flanders (R)					
INDIANA	170	6	95	78	89	NEW JERSEY	151	6	96	83	91	VIRGINIA	95	21	82	82	82
Capehart (R)						Hendrickson (R)						Byrd (D)					
Jenner (R)						Smith (R)						Robertson (D)					
IOWA	80	59	58	46	54	NEW MEXICO	93	31	75	74	75	WASHINGTON	151	12	93	89	91
Gillette (D)						Anderson (D)						Jackson (D)					
Hickenlooper (R)						Chavez (D)						Magnuson (D)					
KANSAS	145	16	90	75	85	NEW YORK	67	84	44	55	47	WEST VIRGINIA	128	14	90	90	90
Carlson (R)						Ives (R)						Kilgore (D)					
Schoeppel (R)						Lehman (D)						Neely (D)					
KENTUCKY	97	59	62	67	64	NORTH CAROLINA *	73	14	84	--	--	WISCONSIN	79	27	75	55	67
Clements (D)						Ervin (D)						McCarthy (R)					
Cooper (R)						Lennon (D)						Wiley (R)					
LOUISIANA	110	28	80	70	76	NORTH DAKOTA	97	42	70	83	74	WYOMING *	88	3	97	--	--
Ellender (D)						Langer (R)						Barrett (R)					
Long (D)						Young (R)						Crippa (R)					



pressures on congress

IN THIS SECTION . . .

PAGE

"China Lobby" at Work	1173
Lobbyist Registrations	1176
GATT Hearings	1176

"CHINA LOBBY" AT WORK

There is little mention of the so-called "China Lobby" in the newspapers these days -- but its activities are evidently just as up to date as the latest war rumors from Quemoy Island and Formosa.

A Congressional Quarterly check indicates that, while U.S. officials ponder what course to take in face of a threatened invasion of Formosa by Red Chinese troops, various interests in this country are plugging for or against the Nationalist regime of Chiang Kai-shek, which controls Formosa, or the People's Republic on the Chinese mainland.

Some of these interests are commercial; others are political, military or ideological. Many were part of the "China Lobby" which reached its publicity peak four years ago. (CQ Almanac, Vol. VII (1951), p. 251). Then as now, the bloc was made up of agents registered in this country for Chinese principals, Congressmen most vocal on Chinese affairs, and various groups and persons taking stands on the issue.

Many spokesmen deny that these interests comprise a "bloc;" they also contend there is no "China Lobby." CQ's current check takes no stand on this question, but merely outlines the personalities and groups most active on issues affecting China policy.

LEGISLATORS' STANDS

The growing controversy over America's role in the Red China-Nationalist dispute has evoked comments from several Congressmen.

Sen. Styles Bridges (R N.H.), ranking Republican in the Senate, was reported as saying Sept. 10: "The United States should be ready to act without hesitation" if Red China attacks Formosa or any of the nearby islands.

On the same day, Senate Majority Leader William F. Knowland (R Calif.) urged the use of American naval forces to help defend the Nationalist-held island of Quemoy, if its capture by the Communists is threatened. "From a morale point of view," Knowland said, "the loss of Quemoy would be a blow comparable to the Red victory at Dien Bien Phu last spring."

Sen. H. Alexander Smith (R N.J.) Sept. 13 proposed American air and naval support of Quemoy in event of a Communist invasion. Smith, chairman of the Foreign Relations Committee's panel on Asian affairs, said the island is close enough to Formosa to be included in any defense plans for the Chinese Nationalist government.

OTHER STANDS

All three Senators have long supported the cause of Nationalist China. Other Congressmen who have urged aid for Chiang Kai-shek include Sens. Homer Ferguson (R Mich.), Bourke B. Hickenlooper (R Iowa), and Pat McCarran (D Nev.) and Reps. Walter H. Judd (R Minn.), Lawrence H. Smith (R Wis.), John M. Vorys (R Ohio), and House Speaker Joseph W. Martin, Jr. (R Mass.).

Among legislators who have criticized both Chiang and the Chinese Communists are Sens. Wayne Morse (I Ore.), and Robert S. Kerr (D Okla.), and Reps. Melvin Price (D Ill.) and John W. McCormack (D Mass.). In 1953, Morse sponsored a resolution calling for investigation of agents of foreign governments working to influence U.S. foreign policy. He explained these included "the alleged China lobby (and) the alleged China Communist lobby."

The House July 15 approved by a 381-0 roll-call vote a resolution expressing opposition to admission of Communist China to the United Nations (CQ Weekly Report, p. 910). The Senate expressed similar feelings in a provision of the mutual security authorization bill (CQ Weekly Report, p. 988).

NATIONALIST AGENTS

Foreign agents, as well as Congressmen, are watching the possibility of an invasion of Formosa or its outlying islands by Communist troops.

According to Justice Department records, here are eight organizations and three individuals registered as agents for Chinese principals. Nationalist and Communist China have had a total of more than 20 registered agents in the U.S. since 1942. They filed under the Foreign Agents Registration Act of 1938, which requires all persons and firms working for foreign interests to submit registration statements to the Attorney General.

Several agents distribute large quantities of propaganda daily throughout the U.S. The material ranges from "People's China," a fortnightly describing the "new Democratic society" in China, to releases and films portraying China from the Nationalist viewpoint. Certain agents also are spreading propaganda through use of pamphlets, magazines, books, radio and TV, and speeches.

Agents currently registered on the Nationalist side include:

Agent. CARSON CHANG, 502 3rd St., S.E., Washington, D.C.

Foreign Principal. China's Fighting League for Free Democracy (headquarters "somewhere in Asia").

In his registration forms, Chang stated he was "seeking support for fighting the Communists on the mainland of China." He said his major activities would

include delivering lectures when asked, sending articles to anti-Communist Chinese outside the mainland to give them "hope and inspiration," and giving information regarding Chinese Communists to the U.S. Government.

Chang, a Chinese citizen born in 1884 in Kiangsu Province, wrote a book published in 1952 entitled "Third Force in China" (Bookman Associates, New York). One of his lectures, delivered before faculty and students at the University of Maryland, was reprinted for distribution.

For the six months ending March 28, 1954, according to Chang's statement, he received \$4,000 from the League for his daily expenses. He said the League's present address is unknown "due to the underground nature of its activities."

Agent. COMMERCE INTERNATIONAL CHINA, INC., 64 Hamilton St., Paterson, N.J.
Foreign Principal. Board of Supplies, Executive Yuan of Republic of China on Formosa. (It has also represented the Chinese Navy, Chinese Air Force, and Chinese Armored Force Command.)

Headed by two U.S. citizens, Satiris Galahad Fassoulis and Miran Aprahamian, CIC had a contract with the Chinese Nationalist Government for repair and rehabilitation of its equipment. This work was done on Formosa, according to the statement. The corporation also buys and sells heavy equipment and machinery.

According to its statements, the group has also procured and shipped radar equipment for the Chinese Air Force, and spare parts for the Chinese Navy. It has also dealt with tanks, motor carriages and armored cars.

Latest statistics supplied by CIC show its receipts from the Central Trust of China from June 11 to Dec. 30, 1953, totaled \$53,771.80. Aprahamian, the Greek-born president of the corporation, put his salary at \$14,658.82 during February-May, 1951. Fassoulis, 32-year-old vice president, treasurer and director, listed the same rate of compensation.

Agent. KUOMINTANG OF CHINA, HEAD-QUARTERS IN AMERICA, 844 Stockton St., San Francisco, Calif.
Foreign Principal. Central Committee, Section III (in charge of overseas members' activities), Kuomintang of China, Taipei, Formosa.

The American headquarters of the Nationalist political party which Chiang Kai-shek has headed since 1938 has as its objectives: "To secure and maintain the interest of Chinese residents in the U.S.; to aid and further the aims of the Central Executive Committee of the Kuomintang."

The group's San Francisco office is run by Gee Hop Can, a 39-year-old Chinese citizen born in Canton. He formerly was a technical expert for the Ministry of Social Affairs, Nationalist Government.

With about 3,827 members claimed in the U.S. and several million in China, the group maintains branches in Portland, Ore., New York City, Chicago and San Antonio, Tex. Other offices have been located in Tucson, Ariz.,

Detroit, New Orleans, Baltimore, Washington, D. C., Kansas City, Mo., St. Louis, Boston, Pittsburgh, Philadelphia, Minneapolis, Milwaukee, Oklahoma City, Houston, Toledo, Ohio, and Columbus, Ohio.

The Kuomintang sponsors a memorial service each month in honor of its founder, Dr. Sun Yat-sen, with speakers giving what are described as "lectures on Dr. Sun's democratic doctrine." The group also holds monthly directors' meetings.

Speeches have been released to Chinese newspapers, and, on occasion, the group has distributed press releases, news bulletins, newspapers, articles, magazines, pamphlets, circulars, form letters, reprints and radio scripts.

Agent. CHINESE NEWS AGENCY, 220 E. 42nd St., New York, N.Y.
Foreign Principal. Hsu-pai Tseng, Director, Central News Agency of China, 20 So. Hsi Ning St., Taipei.

As the official news-gathering agency of the Nationalist Government, Chinese News collects and transmits news from the U.S. to its head office on Formosa for distribution to its clients. The home agency was founded in Canton, China, in 1924 by the Kuomintang Party. It is wholly owned by the Nationalist government.

Teh-chen T'ang is chief of the New York bureau. A Washington bureau managed by Richard C. Jen, is maintained at 1046 National Press Building to "cover the news of the American capital." The agency also sponsors a newscast from San Francisco six days a week.

Agent. CHINESE NEWS SERVICE, 30 Rockefeller Plaza, New York, N.Y.
Foreign Principal. Republic of China, Formosa.

The Service is the official information office for the nationalist regime. It maintains a library, information department and visual section (photos and films). Its speakers' bureau has sponsored talks before high schools, churches, women's groups, business clubs, veterans and universities, dealing with Chinese politics, culture and religion. In addition to its fortnightly, American Press Opinion, and its weekly, This Week in Free China, the group issues pamphlets, reprints, movies, posters and maps.

The group's New York office is directed by Nyoen-Chung Nyi, of Forest Hills. One of its other staff members is Foochow-born Joseph Chiang, Silver Spring, Md., who works as liaison man in Washington. Chiang gave his business address on his statement as "c/o State Department Press Room."

One member of the Service listed his activities as follows: "First, to promote closer cooperation, political, economic and cultural, between China and the U.S. in the common conflict for freedom and against Global Communism; second, to obtain from the U.S. for China moral support; also material support to the extent it would be advantageous to the U.S. to extend such aid."

Agent. UNIVERSAL TRADING CORPORATION, 630 Fifth Ave., New York, N.Y.
Foreign Principal. National Government of the Republic of China, Formosa.

Formed in 1938 to promote trade between China and the U.S., "and thus further the rehabilitation of China," the Corporation represents the Nationalist Government as purchasing agent with funds granted by the Export-Import Bank, and cash remittances received from ministries and agencies of the Nationalist government.

The group's statement emphasized that, due to Communist occupation of Nanking and Shanghai during the period Oct. 4, 1953-April 4, 1954, its purchases and shipments have been confined exclusively to Formosa. These have consisted of agricultural and manufactured products all produced in the U.S.

"Neither (the corporation) nor its officers or employees are engaged in political activities nor in any activities other than those fostering the purposes for which the registrant was formed," UTC's statement declared.

President and treasurer of UTC is Archie Lochhead, of Montclair, N.J. Lochhead is also director of the Bank of Montclair.

Agent. HARRY C. LAMBERTON, attorney, 1822 Jefferson Pl., N.W., Washington, D.C.
Foreign Principal. Board of Trustees for Rehabilitation Affairs, Taipei.

Lamberton said the Board was a relief and rehabilitation agency created to assume responsibility for certain United Nations Relief and Rehabilitation Administration (UNRRA) projects. He added that the Board was an agency of the Nationalist government. Lamberton has also filed as agent for the Polish and Czechoslovak embassies.

Agent. COMMITTEE ON PLANNING AND ADVISING FOR CHINESE STUDENTS IN THE U.S., 125 E. 65th St., New York, N.Y.
Foreign Principal. Executive Yuan, Government of China.

Organized to formulate plans for providing scholarships or scholastic aid for Chinese students in the U.S., the Committee has been inactive since 1948. However, it remains an agent of the Nationalist government.

COMMUNIST CHINA AGENTS

Agent. FOUR CONTINENT BOOK CORPORATION, 38 W. 58th St., New York, N. Y.
Foreign Principal. People's China, Kowloon, Hong Kong.

One of the three leading agencies responsible for the distribution of political propaganda from the Soviet Union and other Iron Curtain countries, Four Continent represents People's China in addition to other interests.

According to the group's statement, it distributes newspapers, books, magazines, pamphlets, posters, photos and maps. Its foreign principal is distributor of the publication "People's China," Published fortnightly by the Foreign Language Press in Peking, this magazine states that it "chronicles the life of the Chinese people and reports their progress in building a new Democratic society...and seeks to strengthen the friendships between the people of China and those of other lands in the cause of peace."

Each issue of People's China contains some supplement on a specialized topic, according to the Justice Department. "For example, the issue for December 1, 1953, contained a special supplement entitled 'The Depositions of 19 Captured U.S. Airmen on Germ Warfare Against Korea'," Attorney General Herbert Brownell, Jr., reported to Congress last May.

The charge of germ warfare in Korea was a topic in practically all propaganda material emanating from Communist China in 1953, and was echoed by the Communist press in the United States, Brownell, said.

The Four Continent office in New York is headed by Allan Markoff, a 41-year-old naturalized citizen who was born Ilya Shmerkovich in Kremenchuk, Russia.

Agent. IMPORTED PUBLICATIONS AND PRODUCTS, 22 E. 17th St., New York, N. Y.
Foreign Principal. Guozi Shudian, 30 Suchow Hutong, Peking, China.

On behalf of this Chinese principal -- it also represents interests in Hungary, Russia, Rumania and Czechoslovakia -- IPP prepares and distributes publications such as People's China; Chinese Pictorial, a monthly magazine; China Reconstructs, a bimonthly; and Chinese Literature, a quarterly.

According to IPP's statement, it purchases books, magazines, pamphlets and art goods from its principals for distribution in the U.S. Its officials stated they "do not know the exact nature" of Guozi Shudian. Margaret Cowl heads the New York office.

Among other material shipped to IPP and Four Continent, according to Justice Department officials, are Selected Works of Mao Tse Tung, translated from the Chinese; Thirty years of Chinese Communist Party also translated and various Russian magazines published in Chinese.

"The bulk of this material is, of course, designed to influence the reader favorably toward those countries within the Soviet orbit, their peoples, governments and way of life," said Brownell. "Conversely, it seeks to raise opposition to those governments which oppose (these) satellites."

Agent. EDWIN S. SMITH, 24 W. 45th St., New York, N.Y.
Foreign Principal. China Photo Service, Peking, China.

Justice Dept. officials told CQ that Smith offers for sale to magazines, newspapers and photo agencies photographs which he obtains from China Photo and his 10 other foreign principals.

INDIVIDUALS AND GROUPS

In addition to legislators and foreign agents, various organizations and individuals in this country take an active interest in U.S. policy on China. Included are veterans', women's, patriotic, religious, business and labor groups.

At its 36th national convention in Washington Sept. 2, for example, the American Legion adopted a resolution

"condemning the Kremlin-controlled puppet Government of Red China as a ruthless and sadistic enemy," and opposing all trade with Red China as well as her admission to the United Nations.

Other groups which have expressed themselves on China policy are the Committee for Constitutional Government, which in the past has put out statements supporting the Nationalist government; the Free Trade Union Committee (AFL), which has also upheld the Chiang regime, and the Institute of Pacific Relations, which was accused of advancing "Communist interests" by a Senate Committee in 1952.

Alfred Kohlberg, a New York importer, is still regarded by many as one of the outstanding Nationalist China backers.

A Pittsburgh industrialist and philanthropist, Frederick C. McKee, has also been identified as an outstanding Nationalist China supporter. Another Chiang Kai-Shek backer in the past has been William J. Goodwin, public relations and sales consultant. At one time, Goodwin registered under the Foreign Agents Act for two Chinese Nationalist agencies -- Chinese News Service and National Resources Commission of China.

LOBBYIST REGISTRATIONS

Registrant. WILLIAM J. BARNHARD, attorney, 351 Washington Building, Washington 5, D. C. Filed 9/9/54.

Employer. Gold Star Wives of America, Inc. 352 Washington Building, Washington 5, D. C.

Legislative Interest. Legislation dealing with welfare of war widows, war orphans, and other survivors of deceased servicemen.

Expenses. Anticipated expenses, \$50 for travel and correspondence.

Compensation. Approximately \$250 per annum.

GATT

A panel of federal officials and Congressmen heard conflicting viewpoints on U.S. trade policy during public hearings, beginning Sept. 13, on the General Agreement on Tariffs and Trade.

O. R. Strackbein of the Nationwide Committee of Industry, Agriculture and Labor, and Richard H. Anthony of the American Tariff League, Sept. 13 proposed U.S. withdrawal from GATT as presently constituted. E. M. Norton of the National Milk Producers Federation urged submission to Congress of trade agreements under GATT. Rep. Emanuel Celler (D N.Y.) said the Administration should formulate clear trade policies.

Several witnesses Sept. 14 proposed amendments to strengthen GATT. They included John J. McCloy, chairman of the board of the Chase National Bank, New York; Allan B. Kline of the American Farm Bureau Federation; Boris Shishkin, AFL research director, and Gerald R. Heatter, Detroit Board of Commerce.

E. L. Morris of the Tuna Research Foundation and Edward W. Wooten of the Wine Institute, testified Sept. 15 opposing GATT. But support came from Russell Smith, vice president of Bank of America, and Herman Gross and George Florea, New York City glove importers.

The Executive Branch

DEFEND QUEMOY?

President Eisenhower said the National Security Council, which met in Denver Sept. 13, made no new decisions, but reaffirmed U.S. policy to defend its interests in "the troubled area of the western Pacific" or anywhere else. In Washington, Secretary of State John Foster Dulles, said it was U.S. policy to keep the Communists guessing about this nation's part in the defense of the Nationalist-held island of Quemoy. Dulles added he was convinced it was "not possible" for the Chinese Reds to take Formosa over U.S. opposition.

DULLES ON SEATO

Secretary of State John Foster Dulles Sept. 15 called the Southeast Asia collective defense treaty, signed in Manila Sept. 9, "a substantial contribution to preserve free governments in Southeast Asia and to prevent communism from rushing into the Pacific area..." Dulles also said the U.S. will keep "powerful naval and air forces" in the western Pacific to deter aggression.

ANTI-RED CRACKDOWN

The Administration's aim is "utterly to destroy" the Communist Party, Attorney General Herbert Brownell, Jr., and J. Edgar Hoover, director of the Federal Bureau of Investigation, said Sept. 12. The FBI, they said, is also collecting evidence for a government crackdown on Communist-controlled unions. Brownell later invited Communists to break with the Party and give information to the FBI under the new witness immunity law. (CQ Weekly Report, p. 1138).

MINIMUM WAGE

Secretary of Labor James P. Mitchell Sept. 14 said he will submit to President Eisenhower recommendations this year on the amount and coverage of the federal minimum wage law. Mitchell said he did not know what he would recommend in connection with the minimum -- now 75 cents an hour -- but said "many thousands of workers who could and should be protected are not."

DIVERTED ACREAGE

Secretary of Agriculture Ezra Taft Benson Sept. 15 relaxed rules for control of production on acres diverted from crops subject to acreage allotments. The new rules which modify "total acreage allotment" regulations issued June 21 (CQ Weekly Report, pp. 926 ff), permit farmers to produce certain cash crops on land taken out of cotton, wheat, corn, peanuts, and tobacco production without losing price supports. Any crops except the following may be grown on the diverted acres: Wheat, cotton, corn, peanuts, major types of tobacco, potatoes, and commercial vegetables.

DROUGHT RELIEF

Secretary of Agriculture Ezra T. Benson Sept. 14-16 designated 315 counties in 11 states as drought disaster areas eligible for emergency federal aid. The new designations brought the total of drought disaster counties to 636 in 13 states (CQ Weekly Report, p. 1148).



CONGRESSIONAL BRIEFS

SEATO-QUEMOY

Sen. H. Alexander Smith (R N.J.) predicted Sept. 13 that the treaty for security of Southeast Asia and the Southwest Pacific "will be popular here because it protects the Congress and the United States."

Smith, who visited Formosa after signing the treaty, said President Chiang Kai-shek of Nationalist China wants to invade the Communist mainland but "wouldn't attack unless we agreed." The Senator said the U.S. should help defend the Chinese Nationalist island of Quemoy with naval and air forces, not with ground troops (see page 1176).

Senate Majority Leader William F. Knowland (R Calif.) said Sept. 10 that the U.S. Seventh Fleet should help defend Quemoy against a Communist invasion. Knowland also said "the Southeast Asia pact will not be fully effective until the Republic of Korea and the Republic of (Nationalist) China have 1.5 million men under arms."

FEDERAL PAY RAISE

Sen. Olin D. Johnston (D S.C.), ranking Democrat on the Senate Post Office and Civil Service Committee, predicted Sept. 14 that a federal pay raise bill "will be enacted regardless of a presidential veto" in 1955 (CQ Weekly Report, pp. 1107, 1108). Johnston addressed the national convention of the National Federation of Federal Employees (Ind.).

JENNER DEFENDS PROBES

Chairman William E. Jenner (R Ind.) of the Senate Judiciary Subcommittee on Internal Security Sept. 11 credited much of the 83rd Congress' record of anti-subversive legislation to information developed during committee investigations. He said enactment of the legislation (CQ Weekly Report, pp. 1138-40) "certainly disposes of the often heard claim that Congressional hearings have no legislative purpose."

CUBA HONORS SMATHERS

Sen. George A. Smathers (D Fla.) will go to Havana Sept. 27 to receive the Carlos Manuel de Cespedes Award, Cuba's highest. The decoration will be presented to Smathers as a "token of appreciation" for his "very active and constructive interest" in the affairs of Latin American countries.

CONNALLY MEMOIRS PUBLISHED

Memoirs of former Sen. Tom Connally (D Tex.) were published Sept. 13. In the book, entitled "My Name Is Tom Connally," the former chairman of the Senate Foreign Relations Committee defends the United Nations against criticism and counsels "patience" in dealing with world problems.

WILEY ON EDC

Chairman Alexander Wiley (R Wis.) of the Senate Foreign Relations Committee told newsmen in Paris Sept. 13 that "disappointment" at French rejection of the European Defense Community will "color" the Senate's "thinking about foreign affairs unless some realizable alternative...can be developed in the near future."

DANIEL BECOMES SENATOR

The Secretary of the Senate Sept. 15 accepted the credentials of Charles E. Daniel (D S.C.) as the successor to the late Sen. Burnet R. Maybank (D S.C.). Daniel, an appointee, was placed on the payroll, but will not be sworn in until the Senate reconvenes. He will serve until the 84th Congress convenes.

HILL ON HEALTH

Sen. Lister Hill (D Ala.) said Sept. 13 that administration of health programs "should rest in the hands of local authorities," although the federal government "can reserve the right to lay down certain basic standards" when it provides funds.

NATIONALISTS ON TRIAL

Puerto Rican Nationalists who planned the March 1 shooting in Congress also intended to attack President Eisenhower and the resident commissioner for Puerto Rico, A. Fernos-Isern. This was the testimony Sept. 13 of Gonzalo Lebron Sotomayer, government witness at the New York trial of 13 Puerto Ricans charged with seditious conspiracy to overthrow the U.S. government.

Another witness, Guillermo Hernandez Vega, said he had been assigned by the Nationalist Party to assassinate ex-Rep. Fred L. Crawford (R Mich.) when Crawford visited Puerto Rico in April 1950, but that he couldn't find Crawford.

POWER CONTRACT

The syndicate headed by Walter von Tresckow Sept. 14 challenged statistics released by the Atomic Energy Commission and the Bureau of the Budget on the Dixon-Yates contract to supply power to the Tennessee Valley Authority (CQ Weekly Report, p. 1165). The von Tresckow syndicate, in a letter to Chairman W. Sterling Cole (R N.Y.) of the Joint Committee on Atomic Energy, said its proposal would cost the federal government \$152,354,000 less than the Dixon-Yates plan over 30 years. It said AEC and the Budget Bureau "made it appear...by juggling the figures" that the von Tresckow proposal would cost \$432,000 more than the Dixon-Yates plan.

SMYTH QUILTS AEC

Dr. Henry D. Smyth resigned from the Atomic Energy Commission Sept. 15. Willard Frank Libby, a University of Chicago chemistry professor who has served on the AEC General Advisory Committee, was given a recess appointment to succeed Smyth.

Revised Budget

\$4.66 BILLION DEFICIT FORECASTED FOR FISCAL '55

BUDGET REVIEW, FISCAL 1955

The Eisenhower Administration Sept. 14 reported it had raised its estimate of the fiscal 1955 deficit to \$4,655,000,000. This was \$1.7 billion more than either the original deficit projected in the Jan. 21 budget for fiscal 1955, or the actual deficit for fiscal 1954.

The fiscal 1955 Budget Review also was highlighted by plans for an additional \$3 billion cut in national security spending -- from the \$44.9 billion fiscal 1955 defense spending program forecasted in January to \$41.9 billion. Actual national security expenditures for fiscal 1954 totaled \$46.2 billion.

But the revised budget estimates included net spending increases of \$1.4 billion for other non-defense federal programs, and predicted an additional \$3.3 billion loss in revenue, primarily as a result of tax cuts. This revenue loss was expected to offset the net \$1.6 billion over-all spending cut and result in the \$1.7 billion increase in the fiscal 1955 deficit.

KEY FIGURES

Key figures in the Budget Review were as follows, in billions of dollars for fiscal years:

	1954 Actual	1955, Jan. 21 Estimate	1955, Revised Estimate
New Obligational			
Authority	\$62.5	\$56.3	\$56.6
Spending (net)	67.6	65.57	64.0
Receipts	64.6	62.64	59.3
Deficit	3.0	2.93	4.66
Public Debt (on June 30)	271.3	273.0	274.5

SPENDING ESTIMATES

The Bureau of the Budget, which puts out the Budget Review, said the revised \$64 billion spending estimate for fiscal 1955 reflected a "saving of \$10.3 billion since 1953." This was another step, the Bureau said, toward the Administration's "twin goals of reducing taxes and balancing the budget."

The estimated expenditure of \$41.9 billion for national security programs represented 66 per cent of the spending planned for fiscal 1955.

The revised Defense Department spending budget alone totaled \$35.5 billion, \$2.1 billion less than the amount forecasted in January. The Budget Bureau noted that "although less than recent years in both amount and per cent, these expenditures will support the most powerful and efficient fighting force the United States has ever maintained short of war."

MORE FOR LESS

Secretary of the Treasury George M. Humphrey told a news conference Sept. 14 that "the cuts in spending mean more defense for less money."

At another press conference Sept. 14, W.J. McNeil, an Assistant Secretary of Defense, said armed forces spending budgets for fiscal 1955 had been revised as follows: Army, from \$10.2 billion in the January budget, to \$9.2 billion; Navy, from \$10.5 billion to \$10.3 billion; Air Force, from \$16.3 billion to \$15.5 billion. But McNeil noted that procurement orders in fiscal 1955 would be almost double the volume of fiscal 1954.

Spending estimates for other security programs showed the following changes from the amounts carried in the January budget: Atomic Energy Commission, from \$2.4 billion to \$2.2 billion; military aid to U.S. allies, from \$4.3 billion to \$3.3 billion; stockpiling of strategic and critical materials, from \$585 million to \$900 million.

In contrast to the \$3 billion spending cut for national security programs, spending budgets were raised for such domestic federal programs as veterans' benefits, social security, health and welfare, housing and community development, education, research, and agriculture. In many cases, the increases were the result of 1954 legislation which expanded the programs.

REVENUE ESTIMATES

The revised \$59,313,000,000 revenue estimate for fiscal 1955 was \$5.3 billion less than actual receipts in fiscal 1954, and \$3.3 billion under the January estimate of \$62,642,000,000. "This is primarily because of tax reductions made during 1954," the Budget Bureau said. "Without any tax reductions the 1955 Budget would have shown an approximate balance."

About \$1 billion of the additional revenue loss was attributed to "reductions in excise taxes by Congressional action" in 1954. The excise tax cuts were not part of the Eisenhower Administration tax program.

Lower corporation profits accounted for another large portion of the expected decrease in revenue in fiscal 1955.

Secretary Humphrey told his news conference that U.S. business was entering "a more highly competitive period," and the "first evidence of greater competition results in lesser corporate profits."

THE DEFICIT

The \$1.7 billion increase in the deficit -- from the original estimate of \$2,928,000,000 to the revised \$4,655,000,000 figure, was correlated with the revenue loss from newly-enacted excise tax cuts, plus "an increase since January of \$773 million in...1955 expenditures which are relatively uncontrollable under existing legislation, principally for agricultural price supports."

But Secretary Humphrey said the Administration would "work every day and every week and every month to reduce this deficit."

The Administration served notice in its revised budget that it intended to ask Congress for an additional \$1,335,000,000 which, if granted, would bring total new obligational authority in fiscal 1955 to \$56.6 billion.

States Hope That...

FEDERAL LAND SALE MAY STEM FROM ACREAGE CHECK

The federal government owns about one-fourth of all the land in the United States and is wondering what to do with some of it. Two big land problems are facing the Eisenhower Administration:

How much federally owned land should be turned back to the states?

What part of federal property should be subject to state and local taxation or some other method of payment in lieu of taxes?

The federal government is the nation's largest landowner, but it doesn't know the exact extent of its holdings or how much of the property it needs. Rep. Russell V. Mack (R Wash.) said July 26 that "everywhere throughout the nation, the federal government is holding many small parcels of land for which it no longer has any use." Such land, Mack said, "should be sold to the states, subdivisions of the states, or to private citizens." (For federal rural land holdings in the states, see p. 1180.)

The second federal land problem has its roots in the U.S. Constitution, which prohibits state or local governments from taxing federal property without the consent -- in the form of a law -- of Congress. Those who favor putting federal lands on state and local tax rolls argue that the tax-free status of such lands results in the loss of much-needed revenue by state and local governments.

TASK FORCE CREATED

The Eisenhower Administration has tackled these problems by establishing a commission or "task force" to survey the situation and make recommendations for remedying it.

The Commission on Intergovernmental Relations, set up in 1953, is studying federal-state relations in the tax field. It is giving particular attention to the possibility of federal payments to the states in lieu of taxes and to "shared revenues" from certain properties.

The Bureau of the Budget and the General Services Administration Dec. 30, 1953, announced plans for a "thorough review of the real property holdings" of the federal government. The survey's aim would be "to achieve the prompt disposal of all such properties that are surplus" to federal needs. Appointment of David H. Brill to head a special task force to "coordinate" information on the "possibilities for sale" of surplus federal land and buildings was announced July 27, 1954.

INVENTORY IN PROGRESS

GSA said "the objectives...are the return of property to state and local tax rolls...the elimination of high maintenance costs, and the deposit of the cash proceeds in the Treasury." GSA added that "a complete inventory of federal real estate (is) now in process."

The inventory is needed. The Senate Appropriations Committee reported in 1953 it had been advised that the

federal government "is completely without an inventory of its real property holdings." And in a report issued May 13, 1954, by the House Interior and Insular Affairs Committee, it was stated that "there is today no central record...of what the federal government owns and what it is worth."

Urban real estate held by the federal government in 1937, the last year for which a count was made, totaled an estimated 47,444 acres. Rural lands owned by the federal government were reported to total 394.6 million acres. The urban estimate has not been updated, although the total is believed to have increased.

The Department of Agriculture, following an inventory of rural federal land holdings, as of 1950, reported in 1952 that the government owned 455.6 million acres -- almost 25 per cent of the 1,903,824,640 acres of land in the entire U.S. This survey did not cover urban lands.

ACREAGE BREAKDOWN

The Agriculture Department survey showed that the federal land fell into the following categories:

Farming and grazing	294,146,000 acres
Forests and woodland	90,407,000 acres
Parks, wildlife refuges, military land, etc.	36,387,000 acres
Miscellaneous (including desert, rock, and low-value farm land)	34,692,000 acres
TOTAL	455,632,000 acres

A large portion of land for farming and grazing is made available to farmers and ranchers through permits and leases. The Departments of Interior and Agriculture administer about 95 per cent of federal rural lands.

The 1952 report showed that federal lands were distributed unevenly, with almost 90 per cent of total rural acreage owned by the federal government lying in 11 Western states. The following table shows what percentage of land in each region of the U.S. was owned by the federal government, and what percentage of total federally owned rural lands lay in each region:

Region	% of Regional Land Owned by Federal Gov't	% of total Rural Federal Land in Each Region
East	2.6%	.7%
Middle West	5	5.3
South and Border	4.6	5.5
West	53.5	88.5

States with the largest rural federal land holdings were Nevada, 59 million acres; Arizona, 50.7 million; California, 46 million and Utah, 37.9 million. Those with the smallest federal rural acreage were Connecticut, 13,694 acres; Rhode Island, 18,863, and Delaware, 40,080.

The survey also showed that the states themselves owned 80,347,272 acres of rural land. This was only about one-fifth as much rural land as the federal government held.

HOUSE COMMITTEE REPORT

The revenue problems arising from tax-exempt federal holdings in the states were described in the May 13 report prepared by the Library of Congress and released by the House Interior Committee:

"Spokesmen for local governments (and occasionally for the states) contend that the presence of so much tax-exempt federal property has reduced their capacity to tax to such a degree that their financial independence is threatened.

"The basic economic problem stems from the fact that more than half the revenues of local governments, counties, cities, towns, school districts, etc., are derived from the property tax

"There are not now available any estimates of a current nature of the amounts of tax loss by reason of federal property ownership." The report added that previous, unverified estimates "range from a possible \$71 million (1937), to...an estimate (in 1952) of \$300 million."

From time to time, Congress has enacted special laws taking some of the federal property out of the tax-free class. Under special laws, states have been allowed to share in revenue from such federal holdings as national forests, to receive payments in lieu of taxes based on value of the property, or to tax such holdings as the commercial and industrial property of the non-defunct Reconstruction Finance Corporation.

NO UNIFORM LAW

But there is no uniform law or standard applied to the treatment of federal property. Rep. Clifton Young (R Nev.) said Aug. 9 "there are now nearly 5,000 laws... governing the administration and disposition of a vast area of public domain." He noted that "even the officials of the Department of the Interior have difficulty interpreting and administering this maze of complicated and sometimes conflicting legislation."

Young introduced a resolution (H J Res 381) on Feb. 17 to "establish a commission to study our public land laws and make recommendations for improvement." The measure received no action during the second session of the 83rd Congress, but Young said he was "hopeful" the next Congress would set up such a study group.

MUCH-STUDIED PROBLEM

Federal lands have been a much-studied subject. Rep. Wesley A. D'Ewart (R Mont.), chairman of the House Public Lands Subcommittee, reported that "a study of federal ownership of real estate and of its bearing on state and local taxation" was conducted by a presidential committee "as early as 1935."

But there appears to be general agreement that further study is needed to clear up what Rep. Young called the public lands' "legislative jungle." Rep. D'Ewart also complained of "the absence of bases for making any worthwhile estimate of the 'tax loss' suffered by governmental subdivisions by reason of federal tax immunity."

Meanwhile, the reports and recommendations of the groups now at work on various aspects of the federal land problem may lay the groundwork for a "back to the states" movement of at least some federal land.

RURAL LANDS

Federal-State Acreage, 1950

	Total Land Area	Federally owned rural land	State owned rural land *
	1	2	3
East	127,749,760	3,365,047	7,062,484
Conn.	3,135,360	13,694	158,560
Del.	1,265,920	40,080	9,477
Maine	19,865,600	134,247	182,746
Md.	6,323,840	215,976	109,241
Mass.	5,034,880	52,034	202,000
N.H.	5,770,880	683,072	58,120
N.J.	4,814,080	95,802	172,138
N.Y.	30,684,160	354,135	3,106,945
Pa.	28,828,800	584,016	2,824,942
R.I.	677,120	18,863	9,588
Vt.	5,937,920	226,020	81,075
W. Va.	15,411,200	947,108	147,652
Middle West	483,527,040	24,055,536	17,390,148
Ill.	35,798,400	450,423	100,559
Ind.	23,171,200	341,425	198,052
Iowa	35,868,800	106,916	71,770
Kan.	52,549,120	322,154	60,586
Mich.	36,494,080	2,801,373	4,403,157
Minn.	51,205,760	3,828,705	5,506,832
Mo.	44,304,640	1,646,330	274,366
Neb.	49,064,320	739,991	1,658,729
N.D.	44,836,480	2,681,321	1,819,834
Ohio	26,240,000	251,166	240,087
S.D.	48,983,040	8,643,709	2,524,977
Wis.	35,011,200	2,242,023	531,199
South & Border	539,141,120	25,015,633	8,596,108
Ala.	32,689,920	965,897	320,904
Ark.	33,712,000	3,049,466	393,041
Fla.	34,727,680	2,828,650	1,074,356
Ga.	37,429,120	1,840,554	89,648
Ky.	25,512,960	989,311	46,064
La.	28,903,680	1,064,384	284,205
Miss.	30,238,720	1,480,471	154,611
N.C.	31,422,080	1,930,911	333,265
Okla.	44,179,840	3,769,427	1,170,248
S.C.	19,395,200	952,124	1,011,177
Tenn.	26,750,080	1,346,979	349,391
Tex.	168,648,320	2,723,329	3,279,868
Va.	25,531,520	2,074,130	89,330
West	753,367,680	403,181,140	47,298,532
Ariz.	72,688,000	50,748,892	9,940,478
Calif.	100,313,600	45,992,841	2,931,929
Colo.	66,510,080	25,093,890	3,180,819
Idaho	52,972,160	34,444,117	2,961,490
Mont.	93,361,920	34,306,634	5,497,515
Nev.	70,264,960	59,007,660	58,041
N.M.	77,767,040	34,792,564	11,503,470
Ore.	61,641,600	32,771,572	1,608,931
Utah	52,701,440	37,918,725	3,027,016
Wash.	42,743,040	15,381,068	2,942,044
Wyo.	62,403,840	32,723,177	3,646,799

U.S. Total 1,903,824,640** 455,632,173* 80,347,272

Source: Bureau of the Census and Department of Agriculture.

*1949 Figures.

**Includes District of Columbia, 39,040 acres.

x Includes 7,267 of D.C. and 7,550 acres of TVA.



MAINE ELECTION

Edmund S. Muskie, Democratic national committee-man and Waterville attorney, will become the first Democratic Governor of Maine in 20 years as a result of his upset victory over incumbent Gov. Burton M. Cross (R) in the state's general election Sept. 13. Sen. Margaret Chase Smith (R) and Maine's three GOP Congressmen were renominated.

The 40-year-old Muskie, a vigorous campaigner, carried five normally Republican cities: Portland, Bath, Saco, Presque Island and Eastport. Based on unofficial returns from 601 of the state's 626 precincts, Muskie polled 135,422 votes to 113,001 for Cross, who conceded the election. A World War II Navy veteran, Muskie served three terms as a state representative, including two terms as house minority leader. In 1951, he served as state administrator of the Office of Price Stabilization.

Democrats immediately hailed their party's victory as signaling a national trend, but Republicans contended local issues and personalities defeated their candidate. Previously, Vice President Richard M. Nixon had called the election the "first major test of the Eisenhower Administration."

Cross, 51, received 51.7 per cent of the vote in a four-way race when he was first elected in 1952. The feeling that many Republicans split their ballots to vote for Muskie was strengthened by a statement from GOP National Committeeman Fred C. Scribner, Jr., "The Republicans elected Muskie."

In Denver, the summer White House declined comment on Muskie's victory, but Press Secretary James C. Hagerty expressed pleasure "over the victory of our entire Congressional delegation." Commenting on the Senate and House races, Democratic National Chairman Stephen A. Mitchell said he figured Maine Republicans got 12 per cent less of the total vote than in 1952, but he urged Democratic candidates not to become overconfident. Mrs. Smith's margin was reduced to about half the 96,000 majority by which she won in 1948. Based on tallies from 601 precincts, she polled 143,292 votes to 101,842 for Paul A. Fullam, Colby College history professor.

In the First District, Rep. Robert Hale (R) overcame ex-Rep. James C. Oliver, a Republican turned Democrat, who ran unsuccessfully against Governor Cross in 1952. With 154 of 156 precincts reporting, Hale received 47,254 votes to 43,569 for Oliver. In the last "off year" election in 1950, 240,127 ballots were cast, approximately 10,000 less in this year's election.

COLORADO PRIMARY

Ex-Rep. John A. Carroll (D) won the Democratic Senate nomination and all four of the state's incumbent Congressmen were unopposed for renomination in the Colorado primary Sept. 14 (CQ Weekly Report, p. 1133).

Carroll, who served in Congress from 1946-50 and was an unsuccessful candidate against Sen. Eugene D. Millikin (R) in 1950, defeated Mayor Quigg Newton of Denver for the right to oppose Lt. Gov. Gordon Allott (R) of Lamar, the unopposed GOP Senate nominee. Running

The Winners

MAINE ELECTION -- SEPT. 13

(Incumbents in capital letters)

Republicans

Democrats

GOVERNOR

Edmund S. Muskie

SENATE

MARGARET C. SMITH

HOUSE

1st ROBERT HALE

2nd CHARLES P. NELSON

3rd CLIFFORD G. MCINTIRE

COLORADO PRIMARY -- SEPT. 14

GOVERNOR

Donald G. Brotzman

*Edwin C. Johnson

SENATE

Gordon Allott

**John A. Carroll

HOUSE

1st Ellen G. Harris

BYRON G. ROGERS

2nd WILLIAM S. HILL

Lacy L. Wilkinson

3rd J. E. CHENOWETH

Alva Adams, Jr.

4th Charles E. Wilson

WAYNE N. ASPINALL

WASHINGTON PRIMARY -- SEPT. 14

HOUSE

AL AL CANWELL

DON MAGNUSON

1st THOMAS M. PELLY

**Hugh B. Mitchell

2nd JACK WESTLAND

Harry F. Henson

3rd RUSSELL V. MACK

Jim Carty

4th HAL HOLMES

Fred Yoder

5th WALT HORAN

Art Garton

6th THOR C. TOLLEFSON

John T. McCutcheon

*Retiring as U.S. Senator

**Former Congressman

with the backing of state labor leaders, the 53-year-old Denver attorney ran up a margin of 25,000 of the approximately 120,000 votes cast. Carroll is a former assistant U.S. attorney and district attorney of Denver.

In the gubernatorial race, retiring Sen. Edwin C. Johnson (D), 70, and State Sen. Donald G. Brotzman (R) of Boulder, 32, were unopposed for their party nominations. Gov. Dan Thornton (R) was not a candidate for re-election.

In the First District, Mrs. Ellen G. Harris, former co-chairman of the National Citizens for Eisenhower Committee, won the GOP nomination over George T. Evans, Denver attorney. She will oppose Rep. Byron G. Rogers (D) in November.

In the Second District, Rep. William S. Hill (R), seeking an eighth term, will be opposed by Lacy L. Wilkinson (D) of Greeley, former state head of the Office of Price Administration. Wilkinson defeated Ralph Williams, Loveland publisher.

In the Third District, Alva B. Adams (D) of Pueblo, son of a former U.S. Senator, defeated Fred M. Betz, Sr., Lamar publisher, for the Democratic nomination and the right to oppose Rep. J. Edgar Chenoweth (R).

WASHINGTON PRIMARY

All seven incumbent Congressmen were renominated without opposition, in the Sept. 14 Washington primary.

Former State Rep. Al Canwell (R) of Spokane won the GOP nomination for the right to oppose Congressman-at-Large Don Magnuson (D). In the First District, ex-Sen. and ex-Rep. Hugh B. Mitchell (D) of Seattle won the Democratic nomination and will oppose Rep. Thomas M. Pelly (R) of Port Blakely. In the Second and Fifth Districts, Reps. Jack Westland (R) and Walt Horan (R) face November opposition from two former State Democratic chairmen, Harry F. Henson of Everett and Art Garton of Chelan. In the Third District, Democratic nomination and the right to oppose Rep. Russell V. Mack (R) went to Jim Carty of Woodland, who defeated Clyde V. Tisdale of Raymond in a close race.

NEW YORK PRIMARY

Though there were 11 contests for House nominations in New York's Sept. 14 primary, only three were close. Incumbents in 42 of the 43 districts won renomination.

One close race, in the 18th (East Harlem) District, saw Rep. James G. Donovan (D) defeat Caspar H. Citron, an independent running in the Democratic primary, by 812 votes. Donovan was unopposed for renomination on the Republican ticket. Ex-Rep. Vito Marcantonio, against whom the coalition was formed in 1950, died Aug. 9. He had entered the race as an independent.

Democrats will convene to pick a gubernatorial candidate Sept. 21. If Rep. Franklin D. Roosevelt Jr. (D) is the nominee, he will withdraw as a House candidate from the 20th District. Republicans are expected to pick Sen. Irving M. Ives (R) to run for the seat now held by Gov. Thomas E. Dewey (R), who is retiring.

First District saw a GOP factional fight in the primary where Rep. Stuyvesant Wainwright (R), organization candidate and an Eisenhower supporter, defeated William P. Shea by a 4-to-1 margin. Shea had pledged "absolute support" of Sen. Joseph R. McCarthy (R Wis.) and favored withdrawal of the United States from the United Nations.

In the 41st District, Rep. Edmund P. Radwan (R) won renomination by defeating Ex-Rep. Joseph Mruk (R),

The Winners

NEW YORK PRIMARY -- SEPT. 14

(Incumbents in capital letters)

Republicans

Democrats

HOUSE

*1st	S. WAINWRIGHT	#Ernest Greenwood**
2nd	S. B. DEROUNIAN	William R. Brennan Jr.**
3rd	FRANK J. BECKER	John Cogley**
*4th	HENRY J. LATHAM	Thomas A. Dent
*5th	ALBERT H. BOSCH	William Kerwick
6th	Seymour Halpern	LESTER HOLTZMAN**
7th	Jacob Stockinger	JAMES J. DELANEY**
8th	E. J. Renne	#Victor Anfuso**
*9th	Harry Keller	EUGENE J. KEOGH**
*10th	Abraham Sher	EDNA F. KELLY**
11th	Henry Dorfman	EMANUEL CELLER**
12th	FRANCIS E. DORN	#Donald O'Toole**
*13th	Joseph Mariber	ABRAHAM J. MULTER**
*14th	A. A. Manti	JOHN J. ROONEY**
*15th	JOHN H. RAY	V. R. Fitz Patrick**
*16th	H. C. Burton	ADAM C. POWELL JR.
17th	F. E. COUDERT, JR.	A. B. Akers**
*18th	JAMES G. DONOVAN	JAMES G. DONOVAN
19th	Henry E. Del Rosso	ARTHUR G. KLEIN**
20th	Warren L. Schnur	F. D. ROOSEVELT JR.**
21st	JACOB K. JAVITS**	Herbert Zelenko
*22nd	Henry Rose	SIDNEY A. FINE
*23rd	Philip Myer	ISADORE DOLLINGER
*24th	C. Scanlon	CHARLES J. BUCKLEY
*25th	PAUL A. FINO	Salvatore J. Milano
26th	RALPH A. GAMBLE	Julia L. Crews**
27th	RALPH W. GWINN	John R. Harold**
*28th	K. ST. GEORGE	Frank Quesall
29th	ERNEST WHARTON	Robert D. Bryon
30th	James W. Smith	LEO W. O'BRIEN
31st	DEAN P. TAYLOR	Joseph R. MacLaren
32nd	BERNARD KEARNEY	David C. Prince
33rd	CLARENCE KILBURN	Harold Blake
34th	WILLIAM WILLIAMS	Vernon Olin
35th	R. W. RIEHLMAN	James H. O'Connor
36th	JOHN TABER	Daniel J. Carey
37th	W. STERLING COLE	John Bloomer
38th	KENNETH KEATING	Rubin Brodsky
39th	H. C. OSTERTAG	George W. Cooke
40th	WILLIAM MILLER	Mariano A. Lucca
41st	EDMUND RADWAN	Bernard J. Wojkowiak
42nd	JOHN R. PILLION	John J. Zablotny
43rd	DANIEL A. REED	James F. Crowley

*--Third-party candidate in race

**--Had Liberal Party support

#--Former Congressman

former mayor of Buffalo. Radwan will be opposed in the election by Bernard J. Wojkowiak (D), a home appliance dealer.

Incumbents Ralph A. Gamble (R) in the 26th, W. Sterling Cole (R) in the 37th, Lester Holtzman (D) in the sixth and Adam C. Powell (D) in the 16th won easily, as did ex-Rep. Victor Anfuso (D) in the eighth and V. R. Fitzpatrick (D) in the 15th. Thomas A. Dent (D) won over three opponents in the Fourth District. In the

Fifth District, ex-Rep. L. Gary Clemente (D) was third man in a race won by William Kerwick (D).

MASSACHUSETTS PRIMARY

Sen. Leverett Saltonstall (R) and Gov. Christian A. Herter (R) were unopposed, and all 14 of the state's incumbent Congressmen were renominated, 11 unopposed, in the Sept. 14 Massachusetts primary. Herter will run against Robert F. Murphy (D) of Malden, State House Minority Leader, who defeated Francis E. Kelly, once lieutenant governor and twice state attorney general, for the Democratic nomination.

In the contest for the Democratic Senate nomination, the winner was ex-Rep. Foster Furcolo (D) of Longmeadow, who polled more votes than his combined opposition, John I. Fitzgerald, former president of the Boston City Council, and former State Sen. Joseph L. Murphy (D). Both Robert F. Murphy and Furcolo ran with party endorsement. Furcolo will face Saltonstall in November (CQ Weekly Report, p. 1134).

Two Boston attorneys won Democratic nominations for Representative from the Eighth and 10th Districts. In the Eighth, Torbert H. Macdonald of Malden defeated Mayor John C. Carr, Jr. (D) of Medford for the right to oppose Rep. Angier L. Goodwin (R). In the 10th, Jackson J. Holtz of Brookline defeated Waldo Pisco of Boston. Holtz will oppose Rep. Laurence Curtis (R).

MINNESOTA PRIMARY

Sen. Hubert H. Humphrey (D) was renominated, Gov. C. Elmer Anderson (R) was unopposed for renomination, and nine incumbent Congressmen were renominated, six unopposed, in the Sept. 14 Minnesota primary. State Treasurer Val Bjornson (R) defeated two other candidates for his party's Senate nomination, and will oppose Humphrey in the general election. (CQ Weekly Report, p. 1040).

In the Democratic gubernatorial primary, Orville L. Freeman, Minneapolis attorney, defeated Paul A. Rasmussen of Chatfield, State Railroad and Warehouse Commissioner, for the nomination. Freeman lost in 1952 to Governor Anderson.

In the Third District, Edward Willow, Minneapolis social worker, won the Republican nomination from two opponents. He will face Rep. Roy W. Wier (D) in the general election.

NEW HAMPSHIRE PRIMARY

Rep. Norris Cotton (R) won a three-way race for Republican nomination to the remaining two years of the late Sen. Charles W. Tobey's (R) term. Sen. Styles Bridges (R) was unopposed for renomination to a fourth term, and Rep. Chester E. Merrow (R) was renominated in the New Hampshire primary Sept. 14 (CQ Weekly Report, p. 1068).

Cotton defeated incumbent Sen. Robert W. Upton (R), serving by appointment, and Wesley Powell, Hampton Falls attorney and Bridges' former administrative assistant. With five of the state's 297 precincts unreported, the vote was Cotton, 29,611; Upton, 24,180; and Powell, 20,273. Cotton will be opposed by State Rep. Stanley J. Betley (D) of Manchester. Upton was the second appointed Senator to be defeated in a primary this year; the other was Alton A. Lennon (D N.C.).

The Winners

MASSACHUSETTS PRIMARY -- SEPT. 14

(Incumbents in capital letters)

Republicans

Democrats

GOVERNOR

CHRISTIAN A. HERTER

Robert F. Murphy

SENATE

L. SALTONSTALL

*Foster Furcolo

HOUSE

1st	JOHN HESELTON	John J. Dwyer
2nd	Vernon E. Bradley	EDWARD P. BOLAND
3rd	None	PHILIP J. PHILBIN
4th	Andrew B. Holmstrom	HAROLD D. DONOHUE
5th	EDITH N. ROGERS	None
6th	WILLIAM H. BATES	Andrew J. Gillis
7th	None	THOMAS J. LANE
8th	ANGIER L. GOODWIN	Torbert H. Macdonald
9th	D. W. NICHOLSON	James F. O'Neill
10th	LAURENCE CURTIS	Jackson J. Holtz
11th	Charles S. Bolster	THOMAS P. O'NEILL, JR.
12th	None	JOHN W. McCORMACK
13th	R.B. WIGGLESWORTH	James F. Gardner
14th	JOSEPH MARTIN, JR.	Edward F. Doolan

MINNESOTA PRIMARY -- SEPT. 14

GOVERNOR

C. ELMER ANDERSON

Orville L. Freeman

SENATE

Val Bjornson

HUBERT HUMPHREY

HOUSE

1st	AUGUST ANDRESEN	Robert C. Olson
2nd	JOSEPH P. O'HARA	Harry Sieben
3rd	Edward Willow	ROY W. WIER
4th	Richard O. Hansen	EUGENE McCARTHY
5th	WALTER H. JUDD	Anders Thompson
6th	Oscar J. Jerde	FRED MARSHALL
7th	H. CARL ANDERSEN	Douglas P. Hunt
8th	Ernie Orchard	JOHN A. BLATNIK
9th	HAROLD C. HAGEN	Coya Knutson

*--Former Congressman

Bridges' opponent will be Gerard L. Morin, 30-year old Laconia mayor, who defeated three other candidates for the Democratic nomination.

In the gubernatorial race, former state representative and state senate president Lane Dwinell of Lebanon won the GOP nomination and will face Rochester Mayor John Shaw (D). Gov. Hugh Gregg (R) was not a candidate for re-election.

In the Second District, Attorney Perkins Bass of Peterborough won the Republican nomination to Cotton's seat over Bert F. Teague, assistant to Gregg and former secretary to Bridges. Bass faces Democrat George F. Brown of Winchester, unopposed. In the First District, Merrow faces Thomas J. McIntyre (D), former mayor of Laconia.

UTAH PRIMARY

Both Republican Congressmen were renominated unopposed and will be faced by two former Democratic Congressmen Nov. 2 as result of the Sept. 14 Utah primary. Ex-Rep. Walter K. Granger (D) of Cedar City was unopposed for renomination in the First District, where he faces Rep. Douglas R. Stringfellow (R). In the Second District, ex-Rep. Reva Beck Bosone (D) of Salt Lake City defeated Warwick C. Lamoureux, Salt Lake City attorney, for the Democratic nomination and the right to oppose Rep. William A. Dawson (R), who defeated Mrs. Bosone in 1952.

VERMONT PRIMARY

In the only contest in the Vermont primary Sept. 14, Springfield industrialist Joseph B. Johnson defeated State Sen. Henry D. Vail (R) of Ludlow for the GOP gubernatorial nomination. Johnson's Democratic opponent will be E. Frank Branon, state senator and Fairfield farmer. Gov. Lee E. Emerson (R) was not a candidate for reelection. Rep. Winston L. Prouty (R) will face Democrat John J. Boylan, Jr., of Burlington in November. Republican nomination generally means election in this state.

WISCONSIN PRIMARY

Gov. Walter J. Kohler (R) was unopposed and all 10 of the state's Congressmen won renomination, nine unopposed, in the Wisconsin primary Sept. 14.

William Proxmire, who unsuccessfully opposed Kohler in 1952, defeated fellow Madison attorney James E. Doyle for the Democratic gubernatorial nomination. Doyle is national co-chairman of Americans for Democratic Action. In the Third District, Rep. Gardner R. Withrow (R) defeated two opponents for renomination. He is opposed by Joseph A. Seep, Westford farmer, who apparently defeated Edna Bowen of Lancaster by 316 votes, based on unofficial returns.

In the Fifth District, Henry S. Reuss, Milwaukee school director, downed two opponents for the Democratic nomination. He will oppose Rep. Charles J. Kersten (R) in November. In the Ninth District, where Rep. Lester R. Johnson (D) is the incumbent, the unopposed GOP candidate was William Owen of Menomonie, who polled about 5,000 more votes than Johnson.

The Democrats, with contests in five of the eight outstate Congressional districts, substantially increased their percentage of the state-wide primary vote as compared with the 1952 and 1950 elections.

A long-time political foe of Sen. Joseph R. McCarthy (R Wis.), Secretary of State Fred R. Zimmerman (R), won GOP renomination over the GOP organization-backed candidate, Joyce M. Larkin of Milwaukee. Zimmerman, 74, is a former one-term governor and 10-term secretary of state.

The Winners

NEW HAMPSHIRE PRIMARY -- SEPT. 14

(Incumbents in capital letters)

Republicans

Democrats

GOVERNOR

Lane Dwinell

John Shaw

SENATE

STYLES BRIDGES

Gerard L. Morin

**Norris Cotton

Stanley J. Betley

HOUSE

1st CHESTER MERROW

Thomas J. McIntyre

2nd Perkins Bass

George F. Brown

UTAH PRIMARY -- SEPT. 14

HOUSE

1st D. R. STRINGFELLOW *Walter K. Granger

2nd WILLIAM A. DAWSON *Reva Beck Bosone

VERMONT PRIMARY -- SEPT. 14

GOVERNOR

Joseph B. Johnson

E. Frank Branon

HOUSE

AL WINSTON L. PROUTY John J. Boylan, Jr.

WISCONSIN PRIMARY -- SEPT. 14

GOVERNOR

WALTER J. KOHLER

William Proxmire

HOUSE

1st LAWRENCE H. SMITH	Edward A. Krenzke
2nd GLENN R. DAVIS	Gaylord A. Nelson
3rd GARDNER R. WITHROW	Joseph A. Seep
4th *John C. Schafer	CLEMENT ZABLOCKI
5th CHARLES J. KERSTEN	Henry S. Reuss
6th WILLIAM VAN PELT	Russell S. Johnson
7th MELVIN R. LAIRD	Kenneth E. Anderson
8th JOHN W. BYRNES	Jerome J. Reinke
9th William E. Owen	LESTER R. JOHNSON
10th ALVIN E. O'KONSKI	Basil G. Kennedy

*--Former Congressman

**--Present U.S. Representative from the Second District.

MONTANA SENATE RACE

National issues will play an important part in the Montana Senate contest between incumbent James E. Murray (D), 78, seeking re-election to a fourth term, and Rep. Wesley A. D'Ewart (R), 64, who is challenging Murray in the general election.

THE ISSUES

Farm policy, public power and unemployment are the major issues. Both candidates are running on their records. D'Ewart, a former state senator and state representative from Wilsall, eastern Montana, is campaigning as a supporter of the Administration. He is attacking Murray for his sponsorship and support of New Deal-Fair Deal legislation and claims he advocates "wasteful" expenditure of government funds. D'Ewart also says Murray is too old.

The Administration's farm program is not popular among Montana's wheat farmers. Both candidates voted against the Administration's flexible farm price support program. Murray is calling attention to the fact that D'Ewart voted against the farm bill, yet has pledged support of the Eisenhower program.

Murray, who has sponsored numerous bills designed to create a Missouri Valley Authority, is a vigorous advocate of public development. D'Ewart favors Administration "partnership" policies. If Democrats win control of the Senate in the coming election, Murray will assume chairmanship of the Interior Committee, on which he is the ranking Democrat. This position would give him greater influence over power legislation than any other Senator, and power issues are important in Montana.

Murray has criticized D'Ewart's vote for state ownership of submerged oil lands. The D'Ewart grazing bill to give stockmen increased privileges in grazing their cattle in national forests and a timber bill which the Congressman backed also have drawn fire from Murray. D'Ewart's opponents charge that his grazing legislation favors "big" cattlemen at the expense of the general public. D'Ewart's vote to grant non-military atomic energy patent rights to private firms has been attacked.

Other issues are unemployment and taxes. Unemployment is a problem in Montana's mines, mills and smelters. Murray blames the Administration's "hard money" policy for a decline in production which, he claims, has caused reduced consumption of metals. Some 10,000 Anaconda Copper Mining Company employees in Butte, Anaconda and Great Falls went out on a prolonged strike Aug. 23. Murray also favors increased exemptions for taxpayers in the lower-income brackets; D'Ewart voted against raising income tax exemptions.

Two issues, public power and unemployment, have been raised by Murray supporters, who point out that Hungry Horse Dam near Kalispell will furnish electricity to an aluminum plant which is under construction there. Democrats claim they need other public power projects like Hungry Horse, which was dedicated in 1952, to provide cheap power to stimulate industrial growth and thus provide jobs within the state.

CQ Voting Scorecard

Voting statistics in percentages for Sen. James E. Murray (D Mont.) and Rep. Wesley A. D'Ewart (R Mont.) for the 79th through 83rd Congresses. For definitions and details, see CQ Almanac, Vol. IX, 1953, pp. 77-82 and 92-99.

	Party Unity		Bipartisan Support		On the Record	
	Murray	D'Ewart	Murray	D'Ewart	Murray	D'Ewart
1954	92%	92%	62%	95%	95%	87%
1953	90	89	69	79	85	97
82nd	93	92	60	92	80	87
81st	91	82	73	82	89	92
80th	91	90	63	87	86	87
79th	88	84	72	91	77	70
<u>On Eisenhower Program</u>				1954	1953	82nd
Active Support				Murray 32%	45	--
				D'Ewart 74	71	--
Active Opposition				Murray 58	39	--
				D'Ewart 21	24	--
<u>Party Voting</u>				Murray 70	49	--
				D'Ewart 82	82	--
<u>Voting Participation</u>				Murray 88	66	53
				D'Ewart 87	97	85

THE CANDIDATES

Born in Canada of immigrant parents, Murray moved to Butte as a young man, studied law, and handled the legal affairs of a wealthy uncle, who died and named Murray his heir. He was elected to the Senate in 1934 to complete the unexpired term of the late Sen. Thomas J. Walsh (D). He was re-elected in 1936, 1942 and 1948. Murray is former chairman and ranking Democrat on the Senate Labor Committee, also ranking Democrat on the Interior Committee. In 1938, he led the fight for the Fair Labor Standards Act, sponsored the Full Employment Act of 1946, and opposed Taft-Hartley. Murray sponsored a resolution setting up the first Senate Small Business Committee in 1940, and has worked for a higher minimum wage, reclamation, aid to farmers, and federal assistance in fields of public health and education. Sens. Wayne L. Morse (I Ore.) and Mike Mansfield (D Mont.) have announced they will campaign for Murray. He also has the support of the Farmers' Union, the railroad brotherhoods and other labor unions.

D'Ewart, born in Worcester, Mass., is a stockman and farmer and is active in Montana's reclamation and livestock organizations. He won a special election to the 79th Congress in 1945, the First Republican to be elected from the Second District since 1930. He was subsequently re-elected four times. D'Ewart has served as deputy House GOP whip for 17 western states, and chairman of the Public Lands Subcommittee of the House Interior and Insular Affairs Committee. An opponent of MVA, D'Ewart voted for the St. Lawrence Seaway and against the Administration's public housing and farm bills. He also voted against increasing unemployment benefits and the Mutual Security appropriation for the current fiscal year. He sponsored bills for grazing and timberland, for exempting some types of wheat from controls and for disposal of agricultural surplus abroad.



committee roundup

IN THIS SECTION....

PAGE

UN Voting	1186
McCarthy Censure	1186
Red Hearings in Ohio	1187
Education	1188
Housing Probe	1188

Action

UN VOTING

Committee. Subcommittee on the United Nations Charter, Senate Foreign Relations.

Action. Sept. 14 issued Staff Study No. 4, "Representation and Voting in the United Nations General Assembly."

The report analyzed proposals for revision of voting procedures in the General Assembly. Proposals included systems which would weight member nations' voting power according to population and financial contributions. Chairman Alexander Wiley (R Wis.), in a preface, questioned the current procedure by which blocs of small nations can out-vote nations with a preponderance of the world's population. He also objected to the fact that Russia has three votes -- one each for the Soviet Union, Byelorussia, and the Ukraine.

Background. The UN is scheduled to consider revision of its Charter in 1955, after 10 years. (See CQ Weekly Report, page 742.)

Hearings

MCCARTHY CENSURE

Committee. Select Senate Committee to Study Censure Charges against Sen. McCarthy.

Concluded hearings Sept. 13 on inquiry into the conduct of Sen. Joseph R. McCarthy (R Wis.).

Background. For background and charges see CQ Weekly Report, p. 1113; for proceedings Aug. 31 through Sept. 2, pp. 1143-44; proceedings Sept. 7 through Sept. 10, pp. 1167-68.

Proceedings. Sept. 11. Guy G. De Furia, associate committee counsel, continued cross-examination of McCarthy. He asked whether the Senator had had any intention of appearing before the Senate Privileges and Elections Committee when that committee was investigating him in 1951. Said McCarthy: "If I were ordered to appear, I would have appeared. I made that very clear to the chairman of the committee--only if I were subpoenaed."

Under questioning, McCarthy reiterated his charge that Sen. Ralph E. Flanders (R Vt.) was senile. "Do you think," asked De Furia, "you were justified in referring to a Member of the United States Senate...in terms such as that?" McCarthy replied, "Because you are a Member of the United States Senate, you are not free from criticism."

In reply to the charge he had asked government employees to give him classified information, McCarthy said he was not looking for atomic energy secrets, but for evidence of wrongdoing. Sen. Samuel J. Ervin, Jr. (D N.C.) asked whether McCarthy was inviting government employees to give him evidence of wrongdoing even though they could find such information only in documents marked "Classified." McCarthy answered, "Yes." He said later the famous two-and-one-quarter-page document he produced during the Army-McCarthy hearings "had nothing on it to indicate it was classified."

Maj. Gen. Kirke B. Lawton, former commanding general at Ft. Monmouth, N.J., was recalled to the stand. Under questioning by Chairman Arthur V. Watkins (R Utah), he testified that it was his impression Brig. Gen. Ralph W. Zwicker "was antagonistic" toward McCarthy before he was called on by McCarthy to testify in the case of Dr. Irving Peress.

Roy M. Cohn, former chief counsel for the Permanent Subcommittee on Investigations headed by McCarthy, testified he did not think the "document" was classified.

Sept. 13. Zwicker, resuming the stand, said he could not recall muttering "You S.O.B." at McCarthy during that hearing. He denied he had been evasive, arrogant or irritating while testifying, and said he could not recall discussing McCarthy with General Lawton prior to the hearing. Edward Bennett Williams, McCarthy's counsel, charged, and Zwicker denied, there were "inconsistencies" between the general's testimony at the Feb. 18 hearing and the present one.

Zwicker testified he "had no alternative" but to grant an honorable discharge to Peress, who asked for a discharge immediately after testifying before the McCarthy Subcommittee. Zwicker said he merely was acting on orders. But, Zwicker, added, he was "very much opposed to his (Peress) receiving an honorable discharge... and...to any officer in the United States Army invoking the Fifth Amendment."

As the hearings ended, Williams moved that the committee bring in a new team of lawyers to evaluate the evidence. He contended the committee's present counsel had acted as "prosecutors" at the hearings, and that they could not possibly be objective enough to try the case and they sit as judges in the proceedings.

"Now," Watkins said, "whether we will go so far as to make recommendations (on the censure charges) has not been determined by the committee. I think we might be able to discharge our duty by not making any recommendations."

Sept. 14. In a closed session, members of the committee unanimously rejected McCarthy's challenge of the fairness of the group's legal staff. Watkins, in announcing the decision, said his committee had "absolute confidence in the fairness" of Chadwick and De Furia.

The Senate, which is in recess, will be called back to act on the resolution to censure McCarthy after the committee submits its report. It was undetermined if the Senators would return before the Nov. 2 election to hear the report. Watkins, however, said there was "a possibility" the report will be completed before Oct. 1.

POWELL CRITICIZED IN HHFA HOUSING PROBE REPORT

Clyde L. Powell, ousted Assistant Commissioner of the Federal Housing Administration, has been depicted in an official report as the central figure in a "record of graft and corruption" in the nation's postwar rental housing program.

The report, by William F. McKenna, special deputy administrator of the Housing and Home Finance Administration, was released Sept. 13. McKenna since April has headed the HHFA's own investigation of irregularities in the government-insured program. A separate probe of alleged housing scandals is being conducted by the Senate Banking and Currency Committee (see p. 1188).

"The story of the corruption of FHA's post-war apartment construction program from 1946 to 1950 is largely the story of the reign of Clyde L. Powell," the McKenna report said. It charged that Powell received payments running "comfortably into six figures" from various housing promoters. Powell's alleged gambling losses led to a series of inquiries that resulted in a wholesale reorganization of the FHA last spring. (For more recent charges against Powell, see p. 1188).

The report also said "hundreds of...cases" involving gifts to FHA personnel by builders have been developed, and financial transactions between them "have not been uncommon."

Powell's comment on the report:

"I deny that Mr. McKenna or anybody else has evidence that any builder or promoter ever paid me any money during my tenure of office with FHA, in connection with official business."

Powell twice refused to answer questions asked by the Senate Banking and Currency Committee on grounds of possible self-incrimination (CQ Weekly Report, pp. 517, 854).

McKenna's report said maladministration of the Section 608 program for large-scale rental housing reached a peak in 1946-50. Abuses in the Title I program, the report added, were most prevalent from 1949-

52. (For details on the two programs, see CQ Weekly Report, p. 517.) The report said FHA's "first substantial effort" to curb Title I "racketeering" was made in 1953, although they were "continuing at an unfortunately high level at the time the investigation was ordered" in April 1954. "Not until this investigation" did FHA attempt to recover 608 "windfalls." Irregularities similar to those under the now-defunct Section 608 program were found in the current cooperative housing and military housing programs, the report added.

The report said no allegations similar to those made against Powell "have been substantiated" against any other FHA employee in the Washington Central Office. Most serious criminal cases, the report said, implicated field personnel or employees who left the agency prior to the shakeup.

The report urged action to limit outside activities of FHA employees and to prohibit them from accepting gifts from persons with whom they do business. It also recommended:

Creation of a "Compliance Division" in the HHFA Administrators' Office to investigate alleged irregularities
Extending the statute of limitations in fraud cases
Basing expenditure for valuation and inspection on the volume of FHA's business, instead of setting a fixed annual limitation

Requiring Title I lending agencies to share part of the risk of making loans

Greater use of the FHA's authority to suspend Title I dealers and salesmen who abuse the program

Making ineligible for government insurance those lending institutions, regardless of size or prestige, which take a "callous attitude" toward Title I abuses

Requiring Title I lending institutions to warn the consumer of his obligations and possible abuses.

Several proposed reforms have already been put into effect.

Related developments. Sen. Edwin C. Johnson (D Colo.) wrote McCarthy Sept. 10 that "it would be strange indeed" after his attacks on the Democratic Party as "the Party of treason" if Democratic leaders did not "loathe" him. The letter replied to charges by McCarthy that Johnson could not be impartial in the hearings because he told the Denver Post in an interview that he believed Democratic leaders "loathed" McCarthy. Johnson assured McCarthy that nothing he had said would bias him in his judgment of the present case.

Dr. Peress, whose "case" touched off McCarthy's battle with the Army, wired Chairman Watkins that McCarthy and his counsel had told "downright lies" about him during the censure hearings. He denied a charge by McCarthy that he had applied for "sensitive" work while in the Army. "I performed no sensitive work at any time," he said. "I did dental work and dental work only."

Sen. Flanders charged in a letter to Watkins that McCarthy had used "abusive and coercive tactics" against the press and other communications media. He said McCarthy was attempting "economic coercion" against newspapers and magazines by trying to cut off their advertising or having their second-class mailing privileges withdrawn.

RED HEARINGS IN OHIO

Committee. House Un-American Activities Subcommittee.

Concluded hearings Sept. 15 on alleged Communist activity in the Dayton, Ohio, area and at Antioch College. The hearings lasted three days.

Testimony. Sept. 13. Arthur C. Strunk, former FBI agent, testified that he knew former State Senator K. M. Kirkendahl of Dayton to be a "dues-paying Communist before, during and after his term in the Ohio General Assembly."

Sept. 14. Seven witnesses, including former Rep. Hugh Delacy (D Wash.), invoked protection of the Fifth Amendment to the Constitution in refusing to answer Subcommittee questions.

Delacy invoked the guarantee against self-incrimination when asked if he is or ever was a Communist. Rep. Kit Clardy (R Mich.) said "I never thought that I would ever see a Member or former Member of the greatest deliberative body in the world retreat behind the Constitution."

Delacy replied: "I never thought I would see a Member of Congress insist that a citizen surrender his Constitutional rights."

Sept. 15. The Subcommittee held a hearing on reported Communist activity at Antioch College in Ohio.

EDUCATION

Committee. House Education and Labor Special Subcommittee for Investigation of Federal Activities in Education.

Began hearings Sept. 15, with Rep. Ralph W. Gwinn (R N.Y.) as chairman.

Testimony. Sept. 15. Dr. Samuel M. Brownell, Commissioner of the Office of Education, said his agency's job is to conduct research and disseminate information, rather than to supervise educational activities by other federal agencies.

Subcommittee figures indicated that 37 federal agencies conduct 298 educational programs. Gwinn said about one per cent of the federal expenditure of about \$3.5 billion a year is channeled through the Office of Education.

Sept. 16. Witnesses were Oliver J. Caldwell, Assistant Commissioner for International Education; and Assistant Secretary of Agriculture J. Earl Coke. The Agriculture Department conducts 28 educational programs, according to the Subcommittee. Caldwell said international educational programs are operated independently of the OE by the FOA and State Department.

HOUSING PROBE

Committee. Senate Banking and Currency.

Continued hearings Sept. 9-10 on alleged irregularities in government-insured housing programs in New Orleans, with Sen. Wallace F. Bennett (R Utah) sitting as a one-man Subcommittee, and opened public hearings in Chicago Sept. 14, Committee Chairman Homer E. Capehart (R Ind.) presiding. (For background, see CQ Weekly Report, p. 1166)

Testimony. Sept. 9 (New Orleans). A suspended FHA official, William V. Yates, said he had twice exchanged automobiles for later models on an "ever trade" basis with a Mississippi auto dealer for whom he had approved two small FHA-insured mortgages.

Harold Schnitzer, Portland, Ore., contractor, was accused by Committee Counsel William Simon of sending himself a telegram in an effort to persuade the FHA to approve additional funds on one project, and also of altering the figures in a letter to the FHA which had previously been signed by an engineering firm official. Answering charges that he had reaped "windfall" profits on his projects, Schnitzer said that some of his figures were "inaccurate" but that the government didn't lose "a penny" on his contracts.

Sept. 10. Col. Hugh Askew, former Oklahoma FHA director, was charged with using "high pressure methods" by Howard R. Jarrell, a Tulsa FHA employee. Simon said records showed that Askew had recorded the names of employees who did and did not buy tickets to the Democratic Party's Jackson Day Dinners. Askew denied the pressures, saying he merely took the money for tickets and turned it over to Democratic officials.

The three-day New Orleans hearings ended with testimony from homeowners who alleged abuses under the government-backed home improvement loan program.

Sept. 14 (Chicago). Housing and Home Finance Administrator Albert M. Cole submitted a new list of projects involving nearly \$14 million in "windfall" profits. Sen. Capehart, questioning Cole, expressed amazement at a reported "windfall" of \$360,000 on a \$60 investment.

Frederick Van Patten, who resigned a top-level FHA post in 1948, said former Assistant FHA Commissioner Clyde Powell had lost \$5,000 in a dice game in Virginia in 1950, \$3,000 of which he "borrowed" from a Norfolk builder. Powell never had to pay back the money, which was put up by Norfolk contractor W. Taylor Johnson, Van Patten testified. (See housing probe report, p. 1187.)

Sept. 15. New York-Washington builder Ian Woodner denied he had ever given presents to Powell. (See CQ Weekly Report, p. 1028.)

Real estate operator Maurice Bauman said he received about \$100,000 in government-insured loans to fix up homes that were in many cases non-existent. He testified he paid \$25 or \$50 in fees to "straw men" who let him use their names in securing loans of \$2,000-2,500.

William Rainford, president of a firm through which Bauman arranged home improvement loans, said he had notified former FHA officials Guy T.O. Hollyday and Arthur J. Frenz when he learned of the deals between Bauman and a vice-president of the firm. Capehart called for an investigation into whether FHA took any action on the disclosure.

Sept. 16. Harry Cane, a brother of gangster Mickey Cohen, said he sent crews of high pressure salesmen to various parts of the country selling materials for home improvements paid for by government-insured loans. Describing questionable "pitches" the salesmen used, Cane said the lending banks and the FHA both knew about them. "I didn't bribe anybody," Cane testified, "but this business couldn't have operated without a 'clout' (contact) in the bank and a clout in the FHA."

Bauman, testifying for the second day, said he made 32 loans through a firm known as Allied Building Credits, for home improvements under the FHA. He declared the money was actually used for other purposes, such as finishing houses which already were being constructed. Capehart said this was "a violation of the law."

Another witness, Louis (Cockeyed Louie) Fratto, alias Lew Farrell, said that he was Des Moines manager of the University Builders of Omaha, Neb. He added that he had about eight employees, but did not "know exactly what they did." (Fratto was picked up by police after he left the hearing for questioning in connection with two murders. He later was released.)

Other developments. The FHA Sept. 11 announced it had fired Andrew Frost (CQ Weekly Report, p. 855). The agency also called a special meeting for Sept. 22 of preferred stockholders in corporations owning a housing project near Fort Lee, N.J., in its first direct step toward recovering "windfall" profits.

A letter from Sen. Capehart to Sen. Paul H. Douglas (D Ill.) was released Sept. 14, stating that allegations that Douglas was connected with a "windfall" profiteer who sought support for Douglas' campaign were "untrue." Capehart added that, in any event, construction costs on the project concerned exceeded the amount of the government-insured loan, and hence there was no "windfall."

CORRECTION

Page 1164, Column 1 -- Paragraph 5, line 4 should read "But he voted against a recommittal motion that killed the Administration's health reinsurance program" (rewording to change vote).



congressional quiz

1. Q--What happens to a treaty if the Senate hasn't approved it by the time a Congress finishes up its work and finally adjourns?

A--Unlike other incompleting legislation, which dies at the end of each Congress and has to be re-introduced at the next one, an unfinished treaty is automatically said to be "resumed" in the new Congress -- that is, the President doesn't have to re-submit it to the Senate. However, while the treaty itself remains on the work calendar of the Foreign Relations Committee, any "proceedings" or partial action on the treaty terminate with the old Congress and have to be started all over again in the next.

2. Q--Is Congress the only place where there are laws to regulate lobbying, or do state legislatures have such laws too?

A--All but 10 states have at least some sort of statute to regulate lobbying. In nine states the laws are limited to improper lobbying practices, but in 29 others all lobbyists are required -- by law or by the rules of one or both chambers of the legislature -- to register.

3. Q--Is there any sign that more Presidents are being chosen from western states than used to be the case?

A--Yes, there have been only three Presidents born west of the Mississippi River, and all of them were among the four most recent Chief Executives. The three are Hoover (born in Iowa), Truman (Missouri) and Eisenhower (Texas).

4. Q--I'm retired. How much of a boost can I expect in my old age payments under the new social security law?

A--More than six million beneficiaries now on Old Age and Survivors Insurance rolls will be getting an average monthly increase of \$6 starting with the check arriving around Oct. 1. The minimum hike is \$5 and the maximum \$13.50. For persons who retire in the future, the formula for computing payments is as follows: take 55 per cent of the first \$110 of average monthly wage, and add to it 20 per cent of the next \$240. Top payments for an individual will be \$108.50 per month, or \$23.50 more than the present \$85 limit.

5. Q--How much can I earn in a year without losing any of my old age payments?

A--At least \$1,200. For each \$80 you make over \$1,200, you'll forfeit one month's benefits -- except that in no case would you lose your check for

any month in which you didn't earn \$80 or its equivalent. If you're 72 years or older, you don't have to worry about the retirement test -- no matter how much money you make you won't have to give up any monthly payments.

6. Q--Do Senators from the same state always vote together?

A--A Congressional Quarterly survey of Senate voting found that the "average" two-man Senate team split on one out of every four votes in 1953 and one out of every five votes in 1954 on roll-call issues where both Members were recorded. In no case during these two years of the 83rd Congress did two Senators from any one state stand together on 100 per cent of the record issues even though both lawmakers represent the same constituency.

7. Q--Do Republican or Democratic Senators from the same state vote together most frequently?

A--GOP Senate teams averaged 87.6 per cent agreement on roll calls where both Members were recorded during the 83rd Congress. "Solid" Democratic Senate state teams agreed 83.4 per cent of the time. Senate team-mates of different political parties representing the same state averaged 53.2 per cent voting accord during the 83rd Congress, according to CQ's roll-call vote analysis.

8. Q--Does a Member of the House of Representatives have to live in the District he represents in Congress?

A--There is no Constitutional or statutory requirement that a Member of the House hold legal residence in the District he represents, according to the American Law Section, Library of Congress, but because of custom and political practicalities a Representative almost always lives in his own District. The only Constitutional requirement as to residence is stated in Article I, which says a Representative, "when elected, (shall be) an inhabitant of that state in which he shall be chosen."

NOTE: CQ Weekly Report pages on which additional data may be found: (4),(5) 707, 954, 1108; (6),(7), 1169;



the week in congress

This Week's Maine Event Pundits, both Democratic and Republican, began restacking their decks as result of the upset victory in Maine of Edmund S. Muskie, Democrat, over incumbent Gov. Burton M. Cross, Republican. Muskie is the first Democrat to be elected governor in Maine for 20 years. In the Congressional elections, however, Sen. Margaret Chase Smith (R) and the state's three GOP Representatives were reelected. Democrats, gleefully pointing out that Republican pluralities had dropped 12 per cent, hailed the Maine result as presaging a nationwide Congressional victory in November. Republicans said local issues had dominated the gubernatorial campaign. Net effect: a psychological boost to Democratic hopes. Nine other states held Congressional primaries Sept. 14.

McCarthy: The Big Wait

Sen. Joseph R. McCarthy (R Wis.) ended his defense against censure charges, and the Watkins Committee ended public hearings Sept. 13. In secret session next day, the committee unanimously rejected charges by the Wisconsin Senator that the committee's counsel was unfair. Reports from closed sessions that followed indicated the committee may have its report ready by the end of the month. Whether the Senate will reconvene to hear the report before the election remained problematical.

On Corruption In FHA

The story of the "corruption" of the Federal Housing Administration's rental-project insurance program from 1946-50 "is largely the story of the reign of Clyde L. Powell," according to a report issued Sept. 13 by the Housing and Home Finance Agency. The report charged that Powell, ousted FHA Assistant Commissioner, received payments running "comfortably into six figures" from various housing promoters. William F. McKenna, HHFA Special Deputy Administrator who wrote the report,

Revised '55 Deficit: \$4.7 Billion

Fiscal 1955 deficit now is expected to be \$1.8 billion higher than the amount projected in the Jan. 21 Budget, the Eisenhower Administration reported Sept. 14. The new estimated deficit, \$4.7 billion, would be \$1.7 billion higher than the actual deficit for fiscal 1954.

The Mid-year Budget Review indicated an additional \$3 billion would be cut from national security spending forecast in January, bringing defense spending down to \$41.9 billion for fiscal '55. The revised budget estimates, however, included spending increases of \$1.4 billion for other, non-defense federal programs and projected an additional \$3.4 billion loss in revenue, primarily as a result of tax cuts.

urged steps to limit outside activities by FHA employees and to prohibit gift-taking by the employees.

Behind The Headlines

Because two Senators from the same state represent the same constituents doesn't mean they always vote alike. A Congressional Quarterly survey shows that on the average, state Senate teams disagreed on one out of very five roll calls during the 83rd Congress

cratic, they agreed 83 per cent of the time.

Senators from "mixed-party" states agreed 1,433 times out of 2,695, or 53 per cent, in the 83rd.

Stories here are summaries of the week's events. For Weekly Report pages with more details, check Contents on the cover.

Both parties built up their voting accord percentages toward the end of the session. Republican teams agreed 91 per cent of the time in 1954, compared with 81 per cent in 1953. Democratic agreement jumped to 85 per cent in '54 compared with 81 per cent in '53.

The Senate's harmony scale ranged from 95 per cent for Utah Republicans Wallace F. Bennett and Arthur V. Watkins, to 35 per cent for Oregon's Guy Cordon (R) and Wayne Morse (I).

Solid Republican teams voted together more often than solid Democratic teams, the survey indicated. In states where both were Republican, Senators agreed 88 per cent of the time; where both were Demo-